

PREM 19/1634

New File Cover.

MT

Secret. Cab 1

Confidential Filing

Appointment of the
Security Commission
and subsequent reports.

Security

April 1981

Referred to	Date	Referred to	Date	Referred to	Date	Referred to	Date
12.14.85							
1.4.81							
↓ ↓							
12.9.85							

SECURITY COMMISSION: BACKGROUND NOTE

1. The Security Commission was established in 1964 with the following terms of reference as announced on 23 January 1964 by the Prime Minister (Sir Alec Douglas-Home):

"If so requested by the Prime Minister to investigate and report upon the circumstances in which a breach of security is known to have occurred in the public service, and upon any related failure of departmental security arrangements or neglect of duty; and, in the light of any such investigation, to advise whether any change in security arrangements is necessary or desirable." (Hansard cols 1271-3).

A statement by the Prime Minister (Mr Wilson) on 10 May 1965 widened the terms of reference to cover circumstances where there might be reason to think that a breach of security had occurred.

2. On 26 March 1969 the method and terms of reference were modified when the Prime Minister announced:

"After consultation with the Rt Hon Gentleman, the Leader of the Opposition, I have revised the procedure for deciding whether or not a case involving a prosecution under the Official Secrets Acts should be referred to the Security Commission. In future, when a breach of security has led to prosecution, the Chairman of the Security Commission will receive a statement outlining the facts of the case and will be asked to give his opinion on whether an investigation by the Commission would be likely to serve a useful purpose. I will then consult the Rt Hon Gentleman taking into account the views expressed by the Chairman of the Commission before deciding whether or not to refer the case to the Commission.

In any other case of known or presumed breach of security, I would decide in the light of the circumstances whether or not its significance warranted my consulting the Chairman of the Security Commission and the Rt Hon Gentleman on the question of whether it should be referred to the Security Commission." (Hansard col 311)

3. The full Commission comprising a panel of 7, from which 3 or 4 members, including the Chairman, are normally chosen when the Commission is asked to investigate a suspected breach of security, is currently as follows:

The Rt Hon the Lord Griffiths of Govilon MC (Chairman)
The Rt Hon Lord Justice Lloyd
Lord Allen of Abbeydale GCB
General Sir Hugh Beach GBE KCB MC
Sir Alan Cottrell FRS
The Rt Hon Sir Michael Palliser, GCMG
Air Chief Marshal Sir Alasdair Steedman GCB CBE DFC

4. The Security Commission has examined and reported upon the following cases:

June 1965	Mr F C Bossard and Staff Sgt P S Allen	(Cmnd 2722)
July 1966	Sq Ldr P J Reen	(Cmnd 3151)
June 1967	Miss H Keenan	(Cmnd 3365)

November 1968	Chief Technician D R Britten	(Cmnd 3856)
January 1969	C E Bland	(Cmnd 3892)
May 1973	Sub Lt D J Bingham and Mr L M Hinchliffe	(Cmnd 5362)
July 1973	Earl Jellicoe and Lord Lambton	(Cmnd 5367)
May 1981	J B Wagstaff	(Cmnd 8235)
May 1983	G A Prime	(Cmnd 8876)
July 1983	Miss R J M Ritchie	(Hansard 28 July, cols 517-523)
March 1984	Lance Corporal P L Aldridge	(Cmnd 9212)
May 1985	M J Bettaney	(Cmnd 9514)
October 1986	9 Signal Regiment and other static communications units	(Cmnd 9923)

In addition the Commission was invited in March 1981 to report on security procedures and practices in the public service. The Government statement on this report was published as a White Paper in May 1982 (Cmnd 8540).

December 1986

Ref. A085/1466

MR BUTLER

Security Commission Appointments

--- Thank you for your minute of 20 May confirming that
Thursday 6 June is acceptable for the announcement of the new
--- appointments to the Security Commission. I attach a draft
press notice, as agreed.

2. The Prime Minister may wish to confirm the changes to the
Leader of the Opposition and inform him of the date of the
--- announcement. A draft letter for this purpose is attached.

ROBERT ARMSTRONG

3 June 1985

DRAFT LETTER FROM THE PRIME MINISTER TO THE LEADER OF
THE OPPOSITION

Lord Griffiths of Govilon (formerly Lord Justice Griffiths) has accepted my invitation to serve as Chairman of the Security Commission in succession to Lord Bridge and Lord Justice Lloyd has agreed to serve as member and alternate Chairman.

An announcement of these appointments will be made from here on 6 June.

DRAFT PRESS NOTICE

The Rt Honourable the Lord Griffiths of Govilon has been appointed Chairman of the Security Commission in succession to The Right Honourable the Lord Bridge of Harwich, the three year term of whose appointment expired on 1 May 1985.

The Rt Honourable Lord Justice Lloyd has been appointed to the Commission as member and alternate Chairman.

NOTE FOR EDITORS

The members of the Security Commission are now Lord Griffiths (Chairman), Lord Justice Lloyd, Lord Allen of Abbeydale, Sir Alan Cottrell, General Sir Hugh Beach, Air Chief Marshal Sir Alasdair Steedman and Sir Michael Palliser. They form a panel of seven from whom three or four, including the Chairman, are normally selected on each occasion when the Commission is invited to investigate a suspected breach of security.

Lord Bridge, 68, has been a Lord of Appeal in Ordinary since 1980. Educated at Marlborough College, he became a Barrister at Inner Temple in 1947, and has been a Judge of High Court, Queen's Bench Division, 1968-75; Presiding Judge, Western Circuit, 1972-74; and a Lord Justice of Appeal 1975-80. He has been a member of the Security Commission since 1977 and Chairman since 1982.

Lord Griffiths of Govilon has recently been appointed a Lord of Appeal in Ordinary. He was born in 1923 and educated at Charterhouse and St John's College, Cambridge. Since becoming a Barrister at Inner Temple in 1949 he has been Recorder of Margate (1962-64) a Judge of the High Court of Justice, Queen's Bench Division, 1971-80; and a Lord Justice of Appeal, 1980-85/ He has been a member and alternate Chairman of the Security Commission since 1982.

Lord Justice Lloyd, 56, was appointed a Lord Justice of Appeal in 1984. Educated at Eton and Trinity College, Cambridge, he was called to the Bar, Inner Temple in 1955. He was appointed Attorney-General to HRH the Prince of Wales in 1976 and was a Judge of the High Court of Justice, Queen's Bench Division 1978-84. [Lord Justice Lloyd is also the Chairman of The Three Advisers, who hear appeals in security cases.]

BACKGROUND NOTE FOR PRESS OFFICE

The Security Commission has examined and reported on the following cases -

June 1965	Mr F C Bossard and Staff Sergeant P S Allen	(Cmnd 2722)
July 1966	Sq Ldr P J Reen	(Cmnd 3151)
June 1967	Miss H Keenan	(Cmnd 3365)
November 1968	Chief Technician D R Britten	(Cmnd 3856)
January 1969	Mr C E Bland	(Cmnd 3892)
May 1973	Sub Lt D J Bingham and Mr L M Hinchliffe	(Cmnd 5362)
July 1973	Earl Jellicoe and Lord Lambton	(Cmnd 5367)
May 1981	Mr J B Wagstaff	(Cmnd 8325)
May 1983	Mr G A Prime	(Cmnd 8876)
July 1983	Miss R J Ritchie	(Hansard 28 July cols 517-523)

March 1984	Lance Corporal P L Aldridge	(Cmnd 9212)
May 1985	Mr M J Bettaney	(Cmnd 9514)

In addition the Security Commission was invited in March 1981 to report on security procedures and practices in the public service. The Government's statement on this report was published as a White Paper in May 1982 (Cmnd 8540).

IN CONFIDENCE



HOUSE OF COMMONS
LONDON SW1A 0AA

The Office of the Leader of
the Opposition

25 April 1985

Dear Prime Minister,

Thank you for your letter of 19 April 1985.

I have no objection either to the appointment of Lord Justice Griffiths to replace Lord Bridge of Harwich as Chairman of the Security Commission or Lord Justice Lloyd as Alternate Chairman in place of Lord Justice Griffiths.

Yours sincerely
Nail Kinnock

The Rt. Hon. Margaret Thatcher P.M.



Prime Minister

Letter to Mr.

Kinnock attached for

your signature. We

do consult the leader of the Opposition
about the Chairmanship only.

TE RB

18.4

Ref. A085/1115

MR BUTLER

Security Commission Appointments

Lord Justice Lloyd has indicated that he would be willing to accept membership of the Security Commission if so invited. The next step is for the Prime Minister to write to the Leader of the Opposition seeking his agreement to the appointment of Lord Justice Griffiths as Chairman of the Security Commission and Lord Justice Lloyd as Alternate Chairman and Member.

I attach a draft.

2. When Mr Kinnock has replied the way will be clear for the Prime Minister to send formal letters of appointment to Lord Justice Griffiths and Lord Justice Lloyd. I shall supply draft letters at the appropriate time.

RA

ROBERT ARMSTRONG

18 April 1985

Ref. A085/1014

MR BUTLER

X ml

The Three Advisers: Terms of Reference
and Statement of Procedure

*TOP
copy
with
questions*

Thank you for your minute of 7 March in which you record the Prime Minister's agreement with the revised Terms of Reference and Statement of Procedure of The Three Advisers, and the proposals for publication.

Copies of the revised texts have been sent to The Three Advisers and to the Council of Civil Service Unions on a "CONFIDENTIAL until publication" basis. The way is now clear to make an announcement. It was agreed that this should be by an arranged written Parliamentary Question for answer by the Prime Minister. I attach drafts and should be grateful if you would make the necessary arrangements for the Question to be answered before the Easter Recess.

ROBERT ARMSTRONG

ROBERT ARMSTRONG

1 April 1985

DRAFT QUESTION

To ask the Prime Minister whether the Statement of Procedure to be followed when the reliability of a civil servant is thought to be in doubt on security grounds and the Terms of Reference of the Three Advisers, which were published by the Financial Secretary to the Treasury on 29 January 1957 (Official Report, column 152-156), have been revised.

DRAFT ANSWER

In the light of the Security Commission's report following their review of security procedures and practices in the public service (cmdnd 8540) the Terms of Reference of the Three Advisers and the Statement of Procedure have been revised as follows

(copies attached)

TERMS OF REFERENCE OF THE THREE ADVISERS

1. It is the policy of Her Majesty's Government that no-one should be employed in connection with work the nature of which is vital to the security of the State who:

(a) is, or has recently been, a member of a communist or fascist organisation, or of a subversive group, acknowledged as such by the Minister, whose aims are to undermine or overthrow Parliamentary democracy in the United Kingdom of Great Britain and Northern Ireland by political, industrial or violent means;

(b) is, or has recently been, sympathetic to or associated with members or sympathisers of such organisations or groups, in such a way as to raise reasonable doubts about his reliability;

(c) is susceptible to pressure from such organisations or groups.

2. You have been appointed to advise Ministers in any cases referred to you whether in your opinion their prima facie ruling that an individual comes under paragraph 1 has or has not been substantiated. In doing so you should answer the following questions:

(a) Are there, or are there not, reasonable grounds for supposing that the individual has or has recently had sympathies, associations or connections of the type described in paragraph 1 above?

(b) If you are in doubt about the answer to 2(a) above, how do you assess the evidence whether presented to you or elicited at the hearing before you?

3. In answering these questions your aim should be to give the Minister the utmost help in deciding himself what course to take.

4. If you agree with the prima facie ruling you should specify your grounds. If you do not agree with the prima facie ruling or do not reach a firm opinion in any instance you should assess the evidence for the Minister reporting the weight which you have attached to particular factors.

5. You should in all cases take precautions to safeguard any very secret sources from which any of the information bearing on the conclusions has been obtained.

6. In the appreciation of a case, aspects of an individual's character or conduct should be taken into account when they bear upon his reliability in the general context of communist,

fascist or other subversive associations, sympathies or connections. (Where no question of such associations or sympathies arise, cases involving character or conduct will not be referred to you, but appeals will be dealt with under the normal grievances procedure of Departments.)

7. A decision of what employment is to be regarded as involving "connection with work the nature of which is vital to the security of the State" or on what constitutes "classified work" or "access to classified information" is not one for you but for Ministers in charge of Departments. Your functions do not extend beyond advising Ministers as set out above.

8. You have also been appointed to advise Ministers, in cases referred to you in any of the following categories, whether in your opinion the case for their prima facie ruling has or has not been substantiated:

(a) the individual is an official of a union with members in the civil and public services who may acquire access to classified information in the course of negotiations or while visiting secret establishments, and the responsible Minister issues a notice of refusal to negotiate with him or of denial of access to a secret establishment on any of the grounds described in paragraph 1.

(b) the individual is removed from classified work or is refused a Positive Vetting clearance and in consequence his career is likely to be prejudiced because he, his spouse (or any person who is regarded or lives as his spouse) or other close relative has overseas connections which are judged to constitute a security risk because they may impose a strain on his loyalties or make him vulnerable to pressure from a foreign intelligence service.

(c) the individual is a British citizen employed by an International Defence Organisation, whether on secondment or directly recruited, and

(i) the responsible Minister rules that there is a prima facie case for withdrawing his security clearance on any of the grounds described in paragraph 1 or sub-paragraph 8(b) above, and

(ii) he would be liable to dismissal or to suffer financial loss as a result of such withdrawal.

In considering cases in these categories you should be governed by the considerations set out in paragraphs 3-7 above. When the individual is employed by an International Defence Organisation you will be asked also to take into account the security criteria in the regulations of the IDO concerned.

STATEMENT OF THE PROCEDURE TO BE FOLLOWED WHEN THE RELIABILITY
OF A PUBLIC SERVANT IS THOUGHT TO BE IN DOUBT ON SECURITY
GROUNDS

1. The procedure set out below applies to:

(a) the public service (excluding members of the Armed Forces who are dealt with under the appropriate Service regulations);

(b) the United Kingdom Atomic Energy Authority (including British Nuclear Fuels Limited and United Kingdom employees of URENCO Limited);

(c) The Civil Aviation Authority;

(d) British Telecommunications plc;

(e) The Post Office;

(f) Police Forces (including civilian employees);

(g) civilian employees of the Territorial Army and Auxiliary Forces Associations;

(h) employees of firms engaged on classified Government contracts, departmental consultants and employees of NAAFI who are liable to dismissal or to suffer financial loss as a result of the responsible Minister issuing a directive that secret matter should not be disclosed to them.

For convenience and brevity the term 'public servants' is used to cover all these groups, except that the reposting provisions in paragraph 10 and 11 below may only be a practical proposition for those described at sub-paragraph (a).

2. The Minister (that is, the Minister responsible for the Department or organisation to which the public servant belongs) will have before him information on which to decide whether the reliability of the public servant is prima facie to be regarded as in doubt on security grounds. His reliability will be so regarded if:

(a) he is, or is to be, employed in connection with work the nature of which is vital to the security of the State, and simultaneously;

(b) (i) he is, or has recently been, a member of a communist or fascist organisation, or of a subversive group, acknowledged as such by the Minister, whose aims are to undermine or overthrow Parliamentary

democracy in the United Kingdom of Great Britain and Northern Ireland by political, industrial or violent means; or

(ii) he is, or has recently been, sympathetic to or associated with members or sympathisers of such organisations or groups, in such a way as to raise reasonable doubts about his reliability; or

(iii) he is susceptible to pressure from such organisations or groups.

No statement of general application can be made as to what constitutes sympathy or association under (b)(ii) or what can be regarded as susceptibility to pressure under (b)(iii) above. Each case will be assessed in the light of the particular facts.

3. If the Minister rules that there is a prima facie case, the public servant is at once to be so informed and will where necessary be sent on special leave with pay, care being taken as far as possible not to disclose the reasons for his absence to his colleagues.

4. The public servant will at the same time be given any particulars, such as the date of his alleged membership, or the nature of the alleged sympathies, associations or connections, that might enable him to clear himself. There will however have to be limits to the information given for he cannot be given such particulars as might involve the disclosure of the sources of the evidence.

5. At the same time the public servant will be asked to say whether he accepts or denies the allegation. If he accepts the allegation he will be dealt with as described in paragraphs 10 and 11 below. If he does not admit the allegation he shall have fourteen days in which to make written representations to the Minister if he so wishes.

6. The Minister will reconsider his prima facie ruling in the light of any representations the public servant may make. If the Minister decides that there is no reason for varying it, the public servant shall be so informed and shall then have seven days in which to decide whether to ask for a reference to the Three Advisers. If he does not ask for such a reference he will be dealt with as in paragraph 9 below. If he does ask for a reference to the Three Advisers the latter will be asked to consider the case as soon as possible.

7. The function of the Three Advisers is set out in their Terms of Reference. Where there is no suggestion of communist, fascist or other subversive associations, sympathies or

connections, cases involving aspects of character or conduct will not be referred to the Tribunal, and appeals will be dealt with under the normal grievance or similar procedures of Departments.

8. In discharging their functions the Advisers will take into account the representations made by the public servant. They will hear him in person if he so wishes and he may be accompanied by a "friend", who may be a trade union official, to help him in presenting his opening statement in reply to the charge. At the discretion of the Three Advisers, the "friend" may remain to assist the appellant for as much of the proceedings as the Three Advisers consider appropriate. The "friend" must withdraw when asked to do so. The public servant may also ask third parties to appear before the Advisers separately to testify to them as to his record, reliability and character. In the special circumstances of these cases the proceedings must be governed by the requirement that neither sources of evidence nor evidence which might involve the disclosure of sources can be given to the person against whom the charge is brought. The Advisers will therefore count it as an important part of their functions to see that anyone appearing before them can make his points effectively and will adapt their procedure in such a way as to give him the best possible opportunity of bringing out the points which he wishes to bring to their notice.

9. On receiving the report of the Three Advisers, the Minister will reconsider his prima facie ruling and if he decides to uphold it, he will give the public servant an opportunity of making representations to himself or his representative before action is finally taken. Similar opportunity will be given when the public servant does not wish his case to go to the Advisers.

10. If the prima facie ruling is finally upheld, a public servant will be posted to or retained in a non-secret branch within his own Department, or, if this is not practicable, will be posted to a non-secret branch in another Department. If he belongs to a category which it is impossible to employ in any other than a secret branch, or if his qualifications or experience are such that no alternative employment elsewhere in the Government service can be found, he will have to be dismissed unless he accepts the option, which should always be afforded in such cases, of resigning.

11. Before a decision to repost, or in the last resort, to dismiss (with resignation as the alternative), is made effective, the public servant's trade union should be afforded an opportunity of suggesting any alternative reposting that it may think more suitable, or of suggesting a possible reposting as an alternative to dismissal or resignation.

12. A public servant will be given a similar opportunity to make representations to the responsible Minister and to have his case referred to the Three Advisers as described above if:

(a) he is an official of a union with members in the civil and public services who may acquire access to classified information in the course of negotiations or while visiting secret establishments, and the responsible Minister issues a notice of refusal to negotiate with him or of denial of access to a secret establishment on any of the grounds described in paragraph 2(b);

(b) he is removed from classified work or is refused a Positive Vetting clearance and in consequence his career is likely to be prejudiced because he, his spouse (or any person who is regarded or lives as his spouse) or other close relative has overseas connections which are judged to constitute a security risk because they may impose a strain on his loyalties or make him vulnerable to pressure from a foreign intelligence service.

(c) he is a British citizen employed by an International Defence Organisation, whether on secondment or directly recruited, and:

(i) the responsible Minister rules that there is a prima facie case for withdrawing his security clearance on any of the grounds described in paragraph 2(b) or sub-paragraph 12(b) above, and

(ii) he would be liable to dismissal or to suffer financial loss as a result of such withdrawal.

Ref. A085/1010

MR BUTLER

Security Commission Appointment

Lord Justice Griffiths is willing to succeed Lord Bridge as Chairman of the Security Commission.

2. I have discussed with Lord Justice Griffiths who should succeed him as the other judicial Member and Alternate Chairman. He has a clear preference for Lord Justice Lloyd, partly on merits and partly because, while Lord Justice May is a little older than Lord Justice Griffiths, Lord Justice Lloyd is six years younger and would thus be more credible as an Alternate Chairman and as a potential successor.

3. Lord Bridge thinks that Lord Justice Lloyd would be the more suitable of the two.

4. It would be one advantage about taking Lord Justice Lloyd that he is already Chairman of the Three Advisers (who advise you on appeals against refusals of positive vetting clearances) and is thus already to some extent involved in security matters.

5. The Lord Chancellor and the Home Secretary are content that either Lord Justice Lloyd or Lord Justice May should be invited.

6. If the Prime Minister is content, I will now sound out Lord Justice Lloyd.

REA

ROBERT ARMSTRONG

1 April 1985

DRAFT LETTER

ADDRESSEE'S REFERENCE

<p>TO Lord Bridge</p> <p>(FULL POSTAL ADDRESS)</p>	<p>ENCLOSURES</p>	<p>COPIES TO BE SENT TO</p> <p>(FULL ADDRESSES, IF NECESSARY)</p>
--	-------------------	---

LETTER DRAFTED FOR SIGNATURE BY Prime Minister
(NAME OF SIGNATORY)

I wrote to you on 5 March 1982 formally inviting you to take up the appointment as the judicial monitor for the interception of communications for a period of three years in the first instance.

I am deeply grateful to you for your work as monitor since then. As you know, we are now in the midst of a particularly testing period in the field of interception, with the Bill likely to come under searching Parliamentary and public scrutiny. It is particularly important that during this period the role of monitor should continue to be undertaken by someone with your experience and integrity. I understand that, even though you would not wish to continue as Chairman of the Security Commission, you would be willing to continue as monitor until the proposed statutory Commissioner is appointed to undertake a similar task when the Bill becomes law.

CONFIDENTIAL

LANA

I am therefore writing to invite you to continue in post as monitor of the interception arrangements described in the 1980 White Paper for a further period of up to a year, on the understanding that the duties involved will become the responsibility of the statutory Commissioner thereafter from the date of his appointment. With one addition, your terms of reference will continue to be those set out in Viscount Whitelaw's statement of 1 April 1980:

"To review on a continuing basis the purposes, procedures, conditions and safeguards governing the interception of communications on behalf of the police, HM Customs and Excise and the Security Service, as set out in Cmnd Paper 7873; and to report to the Prime Minister."

I understand that

The one addition, which you have very kindly agreed to undertake, is the monitoring, on a similar basis, of any interception undertaken in accordance with the second half of paragraph 12(d) of the 1985 White Paper (Cmnd 9438), ie that of external communications selected by reference to particular addresses in the UK for the purposes of preventing and detecting acts of terrorism.

CONFIDENTIAL

CONFIDENTIAL



ate
59
SJ

10 DOWNING STREET

From the Principal Private Secretary

SIR ROBERT ARMSTRONG

The Three Advisers: Terms of Reference and
Statement of Procedures

The Prime Minister has seen your minute of 4 March (A085/648) attaching revised procedures and terms of reference of the three advisers.

The Prime Minister is content with the revised drafts and your proposals for the next steps. The Prime Minister also agrees that the Government should not accept the amendment suggested by Mr Hewlett. She considers it essential to stick to the definition of subversion used by Lord Harris in Parliament in 1975, which was also referred to by Lord Bridge in his latest report.

Leib

7 March 1985

CONFIDENTIAL

SJ

Prime Minister



I have read through these terms of reference and procedures and they seem alright to me. There hasn't been an Appeal to the Three Advisers since 1969.

Ref. A085/648

MR BUTLER

It is important to stick to the definition of subversion at x1, not least for consistency with Lord Bridge's latest report.

The Three Advisers: Terms of Reference and Statement of Procedures

Agree with the revised draft and the procedure for publication?

In its report on security procedures and practices in the public services, the Security Commission observed that the procedures and terms of reference of the Three Advisers had become out of date in the light of the changes in the nature of the threat to security in the twenty years since the Report of the Radcliffe Committee.

FEB 6.3.

2. The Personnel Security Committee (PSC) was therefore asked to revise the procedures and terms of reference to provide an up to date definition of the nature of the threat to security, and a statement of the groups who have a right of appeal to the Three Advisers. Revised procedures and terms of reference were drafted and cleared with both PSC and the Official Committee on Security (SO). We then consulted the Three Advisers and the Council of Civil Service Unions (CCSU), who proposed a number of amendments which required further detailed consideration by both Committees. This has now been completed, and all the suggested amendments except one are recommended for acceptance.

3. I now attach a revised draft of both the Terms of Reference of the Three Advisers and the Statement of the Procedure to be followed when the reliability of a public servant is thought to be in doubt on security grounds, which incorporate the changes agreed by PSC and SO. The only amendment which is not recommended for acceptance was made by Mr Hewlett, and was endorsed by the CCSU. He suggested that the definition of

Mr. Hewlett is the former trade unionist member of the Three Advisers



subversion in paragraph 2.b.i of the Statement of Procedures and 1.a. of the Terms of Reference was too wide and that the following amendment should be made:

delete:

x |
 "... whose aims are to undermine or overthrow Parliamentary democracy in the United Kingdom of Great Britain and Northern Ireland by political, industrial or violent means;"

and substitute:

"... whose aims are to overthrow democratic Parliamentary government in this country by violent or other unconstitutional means;"

Whilst this amendment would bring the definition into line with the form of words used by Lord Diplock and referred to in the Statement on the Recommendations of the Security Commission (Cmnd 8540), it omits specific reference to "political and industrial means". This phrase was included in the definition accepted by Parliament in 1975 and is currently used for vetting purposes. We have assumed, therefore, that Ministers would not wish to delete these words. Amend ment

It is also used in the criteria published with the Bridge Report

4. If the Prime Minister is content with the revised drafts, we shall let the Three Advisers and the CCSU know that their amendments have been accepted (with the exception referred to above), and incorporated into revised Terms of Reference and Statement of Procedures. The way will then be clear for publication and I suggest that this should be done by an arranged written Parliamentary Question to the Prime Minister.

RA

4 March 1985

ROBERT ARMSTRONG

TERMS OF REFERENCE OF THE THREE ADVISERS

1. It is the policy of Her Majesty's Government that no-one should be employed in connection with work the nature of which is vital to the security of the State who:

(a) is, or has recently been, a member of a communist or fascist organisation, or of a subversive group, acknowledged as such by the Minister, whose aims are to undermine or overthrow Parliamentary democracy in the United Kingdom of Great Britain and Northern Ireland by political, industrial or violent means;

(b) is, or has recently been, sympathetic to or associated with members or sympathisers of such organisations or groups, in such a way as to raise reasonable doubts about his reliability;

(c) is susceptible to pressure from such organisations or groups.

2. You have been appointed to advise Ministers in any cases referred to you whether in your opinion their prima facie ruling that an individual comes under paragraph 1 has or has not been substantiated. In doing so you should answer the following questions:

(a) Are there, or are there not, reasonable grounds for supposing that the individual has or has recently had sympathies, associations or connections of the type described in paragraph 1 above?

(b) If you are in doubt about the answer to 2(a) above, how do you assess the evidence whether presented to you or elicited at the hearing before you?

3. In answering these questions your aim should be to give the Minister the utmost help in deciding himself what course to take.

4. If you agree with the prima facie ruling you should specify your grounds. If you do not agree with the prima facie ruling or do not reach a firm opinion in any instance you should assess the evidence for the Minister reporting the weight which you have attached to particular factors.

5. You should in all cases take precautions to safeguard any very secret sources from which any of the information bearing on the conclusions has been obtained.

6. In the appreciation of a case, aspects of an individual's character or conduct should be taken into account when they bear upon his reliability in the general context of communist,

fascist or other subversive associations, sympathies or connections. (Where no question of such associations or sympathies arise, cases involving character or conduct will not be referred to you, but appeals will be dealt with under the normal grievances procedure of Departments.)

7. A decision of what employment is to be regarded as involving "connection with work the nature of which is vital to the security of the State" or on what constitutes "classified work" or "access to classified information" is not one for you but for Ministers in charge of Departments. Your functions do not extend beyond advising Ministers as set out above.

8. You have also been appointed to advise Ministers, in cases referred to you in any of the following categories, whether in your opinion the case for their prima facie ruling has or has not been substantiated:

(a) the individual is an official of a union with members in the civil and public services who may acquire access to classified information in the course of negotiations or while visiting secret establishments, and the responsible Minister issues a notice of refusal to negotiate with him or of denial of access to a secret establishment on any of the grounds described in paragraph 1.

(b) the individual is removed from classified work or is refused a Positive Vetting clearance and in consequence his career is likely to be prejudiced because he, his spouse (or any person who is regarded or lives as his spouse) or other close relative has overseas connections which are judged to constitute a security risk because they may impose a strain on his loyalties or make him vulnerable to pressure from a foreign intelligence service.

(c) the individual is a British citizen employed by an International Defence Organisation, whether on secondment or directly recruited, and

(i) the responsible Minister rules that there is a prima facie case for withdrawing his security clearance on any of the grounds described in paragraph 1 or sub-paragraph 8(b) above, and

(ii) he would be liable to dismissal or to suffer financial loss as a result of such withdrawal.

In considering cases in these categories you should be governed by the considerations set out in paragraphs 3-7 above. When the individual is employed by an International Defence Organisation you will be asked also to take into account the security criteria in the regulations of the IDO concerned.

CONFIDENTIAL

STATEMENT OF THE PROCEDURE TO BE FOLLOWED WHEN THE RELIABILITY
OF A PUBLIC SERVANT IS THOUGHT TO BE IN DOUBT ON SECURITY
GROUNDS

1. The procedure set out below applies to:
 - (a) the public service (excluding members of the Armed Forces who are dealt with under the appropriate Service regulations);
 - (b) the United Kingdom Atomic Energy Authority (including British Nuclear Fuels Limited and United Kingdom employees of URENCO Limited);
 - (c) The Civil Aviation Authority;
 - (d) British Telecommunications plc;
 - (e) The Post Office;
 - (f) Police Forces (including civilian employees);
 - (g) civilian employees of the Territorial Army and Auxiliary Forces Associations;
 - (h) employees of firms engaged on classified Government contracts, departmental consultants and employees of NAAFI who are liable to dismissal or to suffer financial loss as a result of the responsible Minister issuing a directive that secret matter should not be disclosed to them.

For convenience and brevity the term 'public servants' is used to cover all these groups, except that the reposting provisions in paragraph 10 and 11 below may only be a practical proposition for those described at sub-paragraph (a).

2. The Minister (that is, the Minister responsible for the Department or organisation to which the public servant belongs) will have before him information on which to decide whether the reliability of the public servant is prima facie to be regarded as in doubt on security grounds. His reliability will be so regarded if:

- (a) he is, or is to be, employed in connection with work the nature of which is vital to the security of the State, and simultaneously;
- (b) (i) he is, or has recently been, a member of a communist or fascist organisation, or of a subversive group, acknowledged as such by the Minister, whose aims are to undermine or overthrow Parliamentary

CONFIDENTIAL

democracy in the United Kingdom of Great Britain and Northern Ireland by political, industrial or violent means; or

(ii) he is, or has recently been, sympathetic to or associated with members or sympathisers of such organisations or groups, in such a way as to raise reasonable doubts about his reliability; or

(iii) he is susceptible to pressure from such organisations or groups.

No statement of general application can be made as to what constitutes sympathy or association under (b)(ii) or what can be regarded as susceptibility to pressure under (b)(iii) above. Each case will be assessed in the light of the particular facts.

3. If the Minister rules that there is a prima facie case, the public servant is at once to be so informed and will where necessary be sent on special leave with pay, care being taken as far as possible not to disclose the reasons for his absence to his colleagues.

4. The public servant will at the same time be given any particulars, such as the date of his alleged membership, or the nature of the alleged sympathies, associations or connections, that might enable him to clear himself. There will however have to be limits to the information given for he cannot be given such particulars as might involve the disclosure of the sources of the evidence.

5. At the same time the public servant will be asked to say whether he accepts or denies the allegation. If he accepts the allegation he will be dealt with as described in paragraphs 10 and 11 below. If he does not admit the allegation he shall have fourteen days in which to make written representations to the Minister if he so wishes.

6. The Minister will reconsider his prima facie ruling in the light of any representations the public servant may make. If the Minister decides that there is no reason for varying it, the public servant shall be so informed and shall then have seven days in which to decide whether to ask for a reference to the Three Advisers. If he does not ask for such a reference he will be dealt with as in paragraph 9 below. If he does ask for a reference to the Three Advisers the latter will be asked to consider the case as soon as possible.

7. The function of the Three Advisers is set out in their Terms of Reference. Where there is no suggestion of communist, fascist or other subversive associations, sympathies or

connections, cases involving aspects of character or conduct will not be referred to the Tribunal, and appeals will be dealt with under the normal grievance or similar procedures of Departments.

8. In discharging their functions the Advisers will take into account the representations made by the public servant. They will hear him in person if he so wishes and he may be accompanied by a "friend", who may be a trade union official, to help him in presenting his opening statement in reply to the charge. At the discretion of the Three Advisers, the "friend" may remain to assist the appellant for as much of the proceedings as the Three Advisers consider appropriate. The "friend" must withdraw when asked to do so. The public servant may also ask third parties to appear before the Advisers separately to testify to them as to his record, reliability and character. In the special circumstances of these cases the proceedings must be governed by the requirement that neither sources of evidence nor evidence which might involve the disclosure of sources can be given to the person against whom the charge is brought. The Advisers will therefore count it as an important part of their functions to see that anyone appearing before them can make his points effectively and will adapt their procedure in such a way as to give him the best possible opportunity of bringing out the points which he wishes to bring to their notice.

9. On receiving the report of the Three Advisers, the Minister will reconsider his prima facie ruling and if he decides to uphold it, he will give the public servant an opportunity of making representations to himself or his representative before action is finally taken. Similar opportunity will be given when the public servant does not wish his case to go to the Advisers.

10. If the prima facie ruling is finally upheld, a public servant will be posted to or retained in a non-secret branch within his own Department, or, if this is not practicable, will be posted to a non-secret branch in another Department. If he belongs to a category which it is impossible to employ in any other than a secret branch, or if his qualifications or experience are such that no alternative employment elsewhere in the Government service can be found, he will have to be dismissed unless he accepts the option, which should always be afforded in such cases, of resigning.

11. Before a decision to repost, or in the last resort, to dismiss (with resignation as the alternative), is made effective, the public servant's trade union should be afforded an opportunity of suggesting any alternative reposting that it may think more suitable, or of suggesting a possible reposting as an alternative to dismissal or resignation.

12. A public servant will be given a similar opportunity to make representations to the responsible Minister and to have his case referred to the Three Advisers as described above if:

(a) he is an official of a union with members in the civil and public services who may acquire access to classified information in the course of negotiations or while visiting secret establishments, and the responsible Minister issues a notice of refusal to negotiate with him or of denial of access to a secret establishment on any of the grounds described in paragraph 2(b);

(b) he is removed from classified work or is refused a Positive Vetting clearance and in consequence his career is likely to be prejudiced because he, his spouse (or any person who is regarded or lives as his spouse) or other close relative has overseas connections which are judged to constitute a security risk because they may impose a strain on his loyalties or make him vulnerable to pressure from a foreign intelligence service.

(c) he is a British citizen employed by an International Defence Organisation, whether on secondment or directly recruited, and:

(i) the responsible Minister rules that there is a prima facie case for withdrawing his security clearance on any of the grounds described in paragraph 2(b) or sub-paragraph 12(b) above, and

(ii) he would be liable to dismissal or to suffer financial loss as a result of such withdrawal.

Ref. A085/547

MR BUTLER

Security Commission: Appointments

Lord Bridge of Harwich was appointed Chairman of the Security Commission in succession to Lord Diplock in the spring of 1982. The Prime Minister's letter inviting him to take on the chairmanship was dated 5 March 1982, and Lord Bridge accepted the invitation in a letter dated 8 March 1982. Because of the conflict in the South Atlantic, however, the appointment, which was intended to run for a period of three years in the first instance, was not announced until 20 May 1982. Lord Bridge, who is 67, has carried a much heavier burden during his three years as Chairman than did any of his predecessors, and has indicated to me that he would prefer not to be invited to serve for another term. I do not think we need or should press him to do so: we have a very competent successor ready to take over. It would be a convenient date for Lord Bridge to hand over the reins on 1 May 1985.

2. The Security Commission's Report on the case of Michael John Bettaney is nearing completion, and should be with the Prime Minister before the end of this month. The Prime Minister has referred to the Commission the cases arising from charges brought against eight members of 9 Signal Regiment, but detailed work on this reference is unlikely to begin until the trial of the accused, which is due to start in April, has been completed; this will probably be in July 1985. The changeover could thus take place in May with little or no inconvenience to all concerned.

3. Lord Justice Griffiths, whose appointment as Member and Alternate Chairman of the Security Commission was also announced on 20 May 1982, is the obvious choice to succeed Lord Bridge as Chairman. Lord Bridge has expressed himself as cordially in favour of his appointment. Lord Justice Griffiths was invited by

the Prime Minister to serve on the 9 Signal Regiment case and to deputise as Chairman in Lord Bridge's absence. He has performed forcefully and effectively as a member of the Commission and as deputy Chairman. I have consulted colleagues in the Lord Chancellor's Department, the Home Office and the Security Service, all of whom are happy to endorse the proposal. If the Prime Minister is content to approve the appointment of Lord Justice Griffiths, the next step would be for me to sound him out informally about his willingness to serve. I have in fact no doubt about his answer.

4. Concurrent with his appointment as Chairman of the Security Commission, Lord Bridge was also appointed as judicial monitor for interception. I understand that he had indicated his intention to relinquish this post also but, with the Home Secretary's consent, has agreed to stay on until the Interception of Communications Bill has become law. It has been suggested that Lord Justice Griffiths should succeed Lord Bridge in this capacity also. But as the two appointments, if approved, seem likely to be announced at different times, it is not necessary to seek the Prime Minister's approval at this stage.

5. If Lord Justice Griffiths were to be appointed Chairman this would leave a vacancy for a Member and Alternate Chairman. Following consultation, again with the Lord Chancellor's Department, the Home Office and the Security Service, two possible candidates have emerged: Lord Justice Lloyd, who is at present Chairman of The Three Advisers, or Lord Justice May. (Who's Who extracts are attached.) In my judgment either would be good: Lord Justice Lloyd is perhaps the more intelligent and sensitive of the two, but perhaps also the more mercurial; Lord Justice May is more the sound and dependable "workhorse". I think it would be right to consult Lord Justice Griffiths about the choice, and this I shall do, if the Prime Minister is content, when I sound him out about his own position. I should, however, be grateful to know whether the Prime Minister has any preference

as between the Lord Justices Lloyd and May. Thereafter it will be necessary to let the Leader of the Opposition know and seek his comments before any announcement is made.

6. To complete the picture, the terms of appointment of General Sir Hugh Beach and Air Chief Marshal Sir Alasdair Steedman as members of the Commission expire on 31 August 1985. Sir Hugh Beach has accepted the Prime Minister's invitation to serve on the 9 Signal Regiment inquiry which, as I have explained, is unlikely to begin in earnest until mid-summer, in which case it will probably run well into 1986. Sir Alasdair Steedman has just completed his first inquiry and has, I understand, been a fully effective member. Subject again to any views which Lord Justice Griffiths may have, I recommend that both should be reappointed for a further period of three years, though it will not be necessary to make an announcement to this effect until later in the year.

ROBERT ARMSTRONG

ROBERT ARMSTRONG

21 February 1985

MAXWELL, Sir Robert (Hugh), KBE 1961 (OBE 1942); b 2 Jan. 1906; s of William Robert and Nancy Dockett Maxwell; m 1935, Mary Courtney Jewell; two s. Comdr of Order of George I of Greece, 1961; Order of Merit of Syria. Address: Court Hay, Charlton Adam, Som. Club: Athens (Athens).

MAXWELL, Col Terence; see Maxwell, Col A. T.

MAXWELL, Rear-Adm. Thomas Heron, CB 1967; DSC 1942; idc, jsc, psc; Director-General of Naval Training, Ministry of Defence, 1965-67; retired, 1967; b 10 April 1912; s of late H. G. Maxwell; m 1947, Maeve McKinley; two s two d. Educ: Campbell Coll., Belfast; Royal Naval Engineering Coll. Cadet, 1930; Commander, 1946; Captain, 1956; Rear-Adm., 1965. Address: Middle Twinhoe, Bath, Avon. T: Combe Down 832242.

MAXWELL, William Wayland, MA (Cantab); FEng, FIMechE; FIEE; FCIT; Consultant, Mott, Hay & Anderson, since 1981; b 10 March 1925; s of Somerset Maxwell and Molly Cullen; m 1963, Eugenie Pamela Cavanagh, d of Leslie Crump and Eugene Thurlow; no c. Educ: Bedales Sch.; Trinity Hall, Cambridge (Mech. Sci Tripos), FEng 1980. Entered London Transport, 1947; Development Engr (Victoria Line), 1963; Mechanical Engr, Development: Railways, 1964; Mechanical Engr, Running: Railways, 1969; Chief Operating Manager (Railways), 1970; Bd Mem. for Engrg, LTE, 1973; Man. Dir. Railways, LTE, 1979-80. Dir. Whelpdale, Maxwell & Codd Ltd, piano and harpsichord makers. Chm., Rly Div., IMechE, 1977-78. Pres., IEME, 1981-83. Hon. FIMechE, Col. Engr and Railway Staff Corps RE (TA), OStJ 1980. Publications: papers in Proc. IMechE and Proc. IEE. Recreations: reading, music, theatre and gardening. Address: 40 Elm Bank Gardens, Barnes, SW13 0NT. T: 01-876 9575. Club: Naval and Military.

MAXWELL-HYSLOP, Robert John, (Robin); MP (C) Tiverton Division of Devon since Aug. 1960; b 6 June 1931; 2nd s of late Capt. A. H. Maxwell-Hyslop, GC, RN, and late Mrs Maxwell-Hyslop; m 1968, Joanna Margaret, d of Thomas McCosh; two d. Educ: Stowe, Christ Church, Oxford (MA). Hons Degree in PPE Oxon, 1954. Joined Rolls-Royce Ltd Aero Engine Div., as graduate apprentice, Sept. 1954; served 2 years as such, then joined Export Sales Dept; PA to Sir David Huddie, Dir and GM (Sales and Service), 1958; left Rolls-Royce, 1960. Contested (C) Derby (North), 1959. Chm., Anglo-Brazilian Parly Gp; Jt Sec., Cons. Parly Aviation Cttee, 1970-81. Member: Public Expenditure Cttee (Trade and Ind. Sub-Cttee), 1971-79; Standing Orders Cttee, 1977-; Industry and Trade Select Cttee, 1979-; Procedure Cttee, 1979-. Governor, Casa do Brazil. Recreations: motoring, South American history. Address: 4 Tiverton Road, Silvertown, Exeter, Devon.

MAXWELL SCOTT, Sir Michael Fergus, 13th Bt cr 1642; b 23 July 1921; s of Rear-Adm. Malcolm Raphael Joseph Maxwell Scott, DSO (d 1943), and Feera Victoria Mary (d 1969) e d of Rt Hon. Sir Nicholas Roderick O'Connor, PC, GCB, GCMG; s to baronetcy of kinsman, Sir Ralph (Raphael) Stanley De Marie Haggerston, 1972; m 1963, Deirdre Moira, d of late Alexander McKechnie; two s one d. Educ: Ampleforth; Trinity College, Cambridge. Publication: Stories of Famous Scientists, 1965. Recreations: sailing, fishing, gardening. Heir: s Dominic James Maxwell Scott, b 22 July 1968. Address: 10 Evelyn Mansions, Carlisle Place, SW1. T: 01-828 0333. Club: Army and Navy.

MAY, family name of Baron May.

MAY, 3rd Baron, cr 1935, of Weybridge; Michael St John May; 3rd Bt, cr 1931; late Lieut, Royal Corps of Signals; b 26 Sept. 1931; o s of 2nd Baron May and d of George Ricardo Thomas; s father 1950; m 1st, 1958, Dorothea Catherine Ann (marr. diss. 1963), d of Charles McCarthy, Boston, USA; 2nd, 1963, Jillian Mary, d of Albert Edward Shipton, Beggars Barn, Shutford, Oxon; one s one d. Educ: Wycliffe Coll., Stonehouse, Glou; Magdalene Coll., Cambridge. 2nd Lieut, Royal Signals, 1950. Recreations: flying, travel. Heir: s Hon. Jasper Bertram St John May, b 24 Oct. 1965. Address: Gauthers Barn, Sibford Gower, Oxon.

MAY, Anthony Tristram Kenneth, QC 1979; b 9 Sept. 1940; s of Kenneth Sibley May and Joan Marguerite (née Oldaker); m 1968, Stella Gay Pattison; one s two d. Educ: Bradfield Coll.; Worcester Coll., Oxford (Trevelyan Scholar 1960, Hon. Scholar 1962; MA). Inner Temple Scholar, 1965; called to the Bar, 1967. Jun. Counsel to DoE for Land Comm Act Matters, 1972. Chm., Guildford Choral Soc. Recreations: gardening, music, books. Address: 11 King's Bench Walk, Temple, EC4Y 7EQ. T: 01-353 9281.

MAY, Prof. Brian Albert; Head, National College of Agricultural Engineering, since 1976; Professor of Environmental Control and Processing, since 1975, and Dean, Faculty of Agricultural Engineering, Food Production and Rural Land Use, since 1977, Cranfield Institute of Technology; b 2 June 1936; s of Albert Robert and Eileen May; m 1961, Brenda Ann Smith; three s. Educ: Faversham Grammar Sch.; Aston Univ., Birmingham. Design Engineer, Massey Ferguson, 1958-63; National College of Agricultural Engineering; Lectr., 1963-68; Sen. Lectr., 1968-72; Principal Lectr., 1972-75; Head of Environmental Control and Processing Dept., 1972-75. Publications: Power on the Land, 1974; papers in agric and engrg jls. Recreations: cricket, gardening, reading. Address: Fairfield Greenway, Campton Shefford, Beds SG17 5BN. T: Hitchin 813451. Club: Farmers'.

MAY, Charles Alan Maynard, FEng, FIEE, FBCS; Director of Research, British Telecom (formerly Post Office), since 1975; b 14 April 1924; s of late Cyril P. May and Katharine M. May; m 1947, Daphne, o d of late Bertram Carpenter; one s two d. Educ: The Grammar Sch., Ulverston, Cumbria; Christ's Coll., Cambridge (Mech. Sciences tripos 1944, MA), CEng, FIEE 1967; FBCS 1968. Served REME and Indian Army, 1944-47. Entered Post Office Engrg Dept., 1948; Head of Electronic Switching Gp, 1956; Staff Engr, Computer Engrg Br., 1966; Dep. Dir (Engrg), 1970. Dir, SIRA Technology Ltd, 1982-. Chm., IEE Electronics Div Bd, 1977-78; Member: Council, IEE, 1970-72 and 1976-80; BBC Engrg Adv. Cttee, 1978-; Adv. Cttee on Calibration and Measurement, 1978-83; Adv. Cttee, Dept of Electronic and Electrical Engrg, Sheffield Univ., 1979-82; Communications Systems Adv. Panel, Council of Educn Technology, 1980-83; Ind. Adv. Bd, Sch. of Engr. and Applied Scis. Sussex Univ., 1981-. Council, ERA Technology, 1983-. Graham Young Lectr., Glasgow Univ., 1979. Via. Examr, Imperial Coll., Univ. of London, 1980-82; External Examr, NE London Polytechnic, 1982-. Governor, Suffolk Coll. of Higher and Further Educn, 1980-. Publications: contribs on telecommunications to learned jls. Recreations: gardening, camping, playing the piano. Address: Sherbourne, Glendene Avenue, East Horsley, Leatherhead, Surrey KT24 5AY. T: East Horsley 2521.

MAY, Gordon Leslie, OBE 1982; Secretary of the British Gas Corporation, since 1977; b 19 Nov. 1921; s of A. Carveth May and Isobella May; m 1945, Nina Cheek; one s two d. Educ: Worcester College for the Blind; Manchester Univ. War service, 1939-45. Admitted Solicitor, 1947; South Eastern Gas Board: Solicitor, 1956; Secretary, 1961; Executive Board Member, 1968; Dep. Chairman, SW Region, British Gas Corporation, 1974; Mem. Executive, British Gas Corporation, 1982-. Recreations: sailing. Address: Walsall House, High Street, Upnor, Rochester, Kent ME2 4XG. T: Medway 76163. Clubs: Royal Automobile, Caledonian; Medway Yacht (Upnor).

MAY, Graham; retired from Civil Service, 1981; b 15 Dec. 1923; s of Augustus May; m 1952, Marguerite Lucy Griffin; four s. Educ: Gravesend Cow / Sch. for Boye; Balliol Coll., Oxford (BA). War Service, Royal Artillery, 1942-46. Asst Principal, Min. of Works, 1948, Principal 1952; seconded to Treasury, 1961-63; Asst Sec., MPBW, 1963; Under Sec., DoE, 1972-81. Address: 2 West Cross, Tenterden, Kent TN30 6JL.

MAY, Harry Blight, MD, FRCP, retired; Director of Clinical Laboratories, The London Hospital, 1946-74; Consultant Pathologist to Royal Navy, 1950-74; b 12 Nov. 1908; s of John and Isobel May, Plymouth, Devon; m 1949, Dorothy Quartermaine; no c. Educ: Devonport; St John's Coll., Cambridge (Scholar). 1st cl. Natural Science Tripos, 1929. Postgraduate study Harvard Medical Sch., 1936. Dean, Faculty of Medicine, Univ. of London, 1960-64; Dean of Med. and Dental Sch., The London Hosp. Med. Coll., 1953-68; Mem. Senate, Univ. of London; Mem. Governing Body, Royal Veterinary Coll.; Examiner, Royal College of Physicians of London and Univ. of Oxford. Publications: Clinical Pathology (6th edn), 1951; papers on Antibacterial Agents and other medical subjects. Address: 3 Littlewood, Littleworth Road, Esher, Surrey. T: Esher 62394.

MAY, John; Councillor, Tyne and Wear County Council, since 1974 (Vice-Chairman, 1978-79, Chairman, 1979-80); b 24 May 1912; s of William and Sara May; m 1939, Mary Peacock (d 1980); two s. Educ: Holystone Council Sch., Newcastle upon Tyne. Councillor: Seaton Valley UDC, 1949-74 (Chm., 1963-64 and 1972-73); Northumberland CC, 1970-74; Tyne and Wear County Council: Chairman, Transport Cttee, 1980- (Vice-Chm., 1977-80). Address: 7 Etal Close, Shiremoor, Newcastle upon Tyne, Tyne and Wear. T: Whitley Bay 533204.

MAY, Rt. Hon. Sir John (Douglas), Kt 1972; PC 1982; Rt. Hon. Lord Justice May; a Lord Justice of Appeal, since 1982; b 28 June 1923; s of late E. A. G. May, Shanghai, and of Mrs May, Whitelands House, SW3; m 1958, Mary, e d of Sir Owen Morshead, GCVO, KCB, DSO, MC, and Paquita, d of J. G. Hagemeyer; two s one d. Educ: Clifton Coll.; Balliol Coll., Oxford. Lieut (SpSc) RNVVR, 1944-46. Barrister-at-Law, Inner Temple, 1947, Master of the Bench, 1972; QC 1965; Recorder of Maidstone, 1971; Leader, SE Circuit, 1971; Presiding Judge, Midland and Oxford Circuit, 1973-77; a Judge of the High Ct, Queen's Bench Division, 1972-82; a Judge of the Employment Appeal Tribunal, 1978-82. Mem., Parole Bd, 1977-80, Vice-Chm., 1980; Chm., Inquiry into UK Prison Services, 1978-79. Address: c/o Royal Courts of Justice, Strand, WC2. Club: Vincent's (Oxford).

MAY, John Otto, CBE 1962 (OBE 1949); HM Diplomatic Service; retired; b 21 April 1913; s of late Otto May, FRCP, MD; m 1939, Maureen McNally, one d. Educ: Sherborne; St John's Coll., Cambridge. Appnt to Dept of Oversea Trade, 1937. Private Sec. to Comptroller-General, 1939; Asst Commercial Secretary, Copenhagen, 1939; Helsinki, 1940; Ministry of Economic Warfare (Representative in Caracas), 1942-44; First Sec. (Commercial): Rome, 1945, Bucharest, 1948; Foreign Office, 1950-53; First Sec., Helsinki, 1954. Acted as Chargé d'Affaires in 1954, 1955, and 1956; Counsellor (Commercial) and Consul-General, HM Embassy, Athens, 1957-60; Consul-General: Genoa, 1960-65; Rotterdam, 1965-68; Gothenburg, 1968-72. Coronation Medal, 1953. Recreations: travel, photography, walking, philately. Address: 6 Millhedge Close, Cobham, Surrey KT11 3BE. T: Cobham 4645. Club: United Oxford & Cambridge University.

MAY,
Corp
C. Sc
1930:
Mana
Chm.
Direc
1980-

MAY,
and P
s one
West
John
Lewi
Settl
Ches

MAY,
Und
(UK
Gilli
Cam
Cou
Indi:
New
Aust
v. A
1961
Boo
Farr
Cou

MAY
Boa
Prr:
May
Syd
Lea
in 7

MAY
UK
Adv
Pat
197
art
bric
085

MAY
The
Ma
Sch
lpr
Co
to
dir
we
Kil
W
the
19
19
Sa
Ha
Th
Re
Ar
64

MA
Hi
Se
an
19
Ba
O
fo
19
Er
D
19
A
Ti

MA

PRIME MINISTER

Security Commission

You may recall that following your answer to him during Questions yesterday, David Owen commented to the Home Secretary that you did not accurately record the terms of reference of the Security Commission. Copies of what you said and what he said are attached. The terms of reference are as follows:

"If so requested by the Prime Minister to investigate and to report upon the circumstances in which a breach of security is known to have occurred in the public service, and upon any related failure of departmental security arrangements or neglect of duty; and, in the light of any such investigation, to advise whether any change in security arrangements is necessary or desirable."

As you will see, Dr. Owen is wrong. He refers in his remarks to Mr. Brittan to a "breach of intelligence". It is difficult to tell what he means by that but it is clear that you are on safe ground.

TR

2 May 1984

ls

APPOINTMENTS
IN CONFIDENCE



10 DOWNING STREET

From the Principal Private Secretary

Sir Robert Armstrong

Security Commission

You told the Prime Minister this morning that the Chairman of the Security Commission had raised with you the suggestion that lay members of the Security Commission should be paid a daily fee at the normal rate paid to those who take part in Government bodies of this sort. The Prime Minister said that she would have no objection to such an arrangement.

Fevr

AL

13 January, 1984.

APPOINTMENTS
IN CONFIDENCE



Security File 1
cc
Lambour

10 DOWNING STREET

THE PRIME MINISTER

20 October 1982

Dear Edward,

Lord Bridge tells me that, as Chairman of the Treasury and Civil Service Committee, you have written to him to say that the Security Commission is one of the "associated public bodies" on which the Committee is expected to keep an eye, and to ask him to submit a short paper on the remit and working arrangements of the Commission.

Given the nature of the Commission's responsibilities and the matters with which it deals, I do not think that it would be appropriate for the Chairman to answer questions about the way in which it discharges those responsibilities or about its methods of working. But the appointment of its members and the setting of its terms of reference are the responsibility of the Prime Minister. I have asked the Joint Head of the Civil Service to prepare a short factual memorandum on the composition and terms of reference of the Commission and on the arrangements for providing its Secretariat and I enclose his memorandum.

Yours sincerely,

Margaret Thatcher

The Rt. Hon. Edward du Cann, M.P.

AM

SECURITY COMMISSION

Memorandum by the Joint Head of the Civil Service

ORIGINS

1. The idea of a Security Commission was first mooted after the Radcliffe Tribunal, established under the Tribunals of Inquiry (Evidence) Act 1921, had reported on the Vassall case. The Prime Minister (Mr Macmillan), in a speech on 7 May 1963, canvassed the possibility of establishing a permanent organisation qualified to inquire, report and advise on any future security case, without necessarily requiring to be invested with statutory powers under the Act of 1921. An extract from the Official Report is at
--- Annex A.

2. The Inquiry by Lord Denning into the Profumo affair then had to be set up urgently and no further work was done on the idea of a Security Commission until after he had reported. In the course of the Debate on the Denning Report, the Prime Minister (Sir Alec Douglas-Home) outlined some proposals which differed from those suggested by Mr Macmillan in that they dropped the idea of a Committee of Privy Councillors to oversee the work of a Standing Commission. An extract
--- of his speech, on 16 December 1963, is at Annex B. The Security Commission was finally announced by the Prime Minister on 23 January 1964. A copy of the announcement
--- is at Annex C.

TERMS OF REFERENCE

3. The terms of reference as announced were:

"If so requested by the Prime Minister to investigate and to report upon the circumstances in which a breach of security is known to have occurred in the public service, and upon any related failure of departmental security arrangements or neglect of duty; and, in the light of any such investigation, to advise whether any change in security arrangements is necessary or desirable."

SUBSEQUENT DEVELOPMENTS

4. The first Inquiry carried out by the Security Commission into the Bossard and Allen cases disclosed a weakness in the arrangements. Under the existing conventions, the Commission could not be activated without an announcement. This meant that it could not move, without risk to the sub judice principle, before a case had been tried. It was recognised that this could on occasion conflict with the need to close any breaches in security arrangements with all possible speed. The Prime Minister (Mr Wilson) therefore announced on 10 May 1965, in the course of a statement on the Bossard and Allen cases, a change in the procedures as follows:

"I have told the Rt Hon Gentleman, the Leader of the Opposition, about this problem and I propose to alter the procedure so that a reference can be made to the Commission as soon as the Government are satisfied, or have reason to think, that a breach of security has occurred in the public service. In each case I propose that the Leader of the Opposition be informed before a reference is made. But when a reference to the Commission relates to a matter which is the subject of criminal proceedings before the Courts, then, for

the reason I have explained, no public announcement of the reference to the Commission would be made until it is appropriate to make a statement. "

5. The terms of reference were further modified in March 1969. At the beginning of that year there were several cases of prosecution under the Official Secrets Acts in progress. One of these at least, that of Able Seaman Cloude, seemed to raise no issues justifying the Commission spending time on an Inquiry. The Prime Minister therefore asked the Head of the Civil Service (Sir William Armstrong) in consultation with Lord Justice Winn (Chairman of the Commission) to devise arrangements for giving him advice to enable him to decide whether or not particular cases should be referred to the Security Commission. The revised arrangements were announced by an arranged PQ on 25 March 1969. The Prime Minister said:

"After consultation with the Rt Hon Gentleman, the Leader of the Opposition, I have revised the procedure for deciding whether or not a case involving a prosecution under the Official Secrets Acts should be referred to the Security Commission. In future when a breach of security has led to a prosecution, the Chairman of the Security Commission will receive a statement outlining the facts of the case and will be asked to give his opinion on whether an investigation by the Commission would be likely to serve a useful purpose. I will then consult the Rt Hon Gentleman taking into account the views expressed by the Chairman of the Commission, before deciding whether or not to refer the case to the Commission.

In any other case of known or presumed breach of security I would decide in the light of the circumstances whether or not its significance warranted my consulting the Chairman of the Security Commission and the Rt Hon Gentleman on the question of whether it should be referred to the Security Commission. "

MEMBERSHIP

6. When originally set up, the membership of the Commission comprised only the Chairman and two members. Following the Bossard and Allen Inquiry, however, the membership was expanded to comprise a Chairman and six members including one judicial member who could deputise for the Chairman. Normally each Inquiry is conducted by a Chairman and two members, though on at least one occasion there has been a Chairman and four members. In consultation with the Chairman of the Commission, the Prime Minister decides who should be invited for each particular Inquiry.

7. The present membership of the Commission is as follows:

Lord Bridge of Harwich

Lord Justice Griffiths

Lord Allen of Abbeydale

Lord Greenhill of Harrow

Sir Alan Cottrell

General Sir Hugh Beach

Air Chief Marshal Sir Alasdair Steedman

8. The Secretary of the Commission was provided by the Cabinet Office until 1975, when this responsibility passed to the Civil Service Department. The Secretary is now provided by the Management and Personnel Office.

REPORTS OF THE COMMISSION

9. The Security Commission have examined and reported upon the following cases:

June 1965:	Mr F C Bossard and Staff Sergeant P S Allen	(Cmnd 2722)
July 1966:	Squadron Leader P J Reen	(Cmnd 3151)
June 1967:	Miss H Keenan	(Cmnd 3365)
November 1968:	Chief Technician D R Britten	(Cmnd 3856)
January 1969:	Mr C E Bland	(Cmnd 3892)
May 1973:	Sub Lt D J Bingham and Mr L M Hinchcliffe	(Cmnd 5362)
July 1973:	Lord Lambton and Earl Jellicoe	(Cmnd 5367)
May 1981:	Mr J B Wagstaff	(Cmnd 8325)

In none of its inquiries has the Commission found it necessary to invoke the powers of the Act of 1921.

10. In addition the Commission was invited in March 1981 to report on security procedures and practices in the public service. The Government statement on this report was published as a White Paper in May 1982 (Cmnd 8540). There have also been several cases where the Chairman of the Commission has been consulted under the arrangements introduced in 1969 and has advised against an Inquiry by the Commission.

attachés should be subject to Service discipline and be recruited from the Services. This has the advantage that it makes it much easier to post them on their return and enables them to complete their normal Service careers in non-vulnerable positions. The procedure for reporting from embassies abroad has been reviewed so that embassy staffs will be on the alert for any development affecting security, and any information will be notified to the security service promptly.

Broadly speaking, I think that the regulations now in force are scrupulously adhered to, and if they are we should be able to reduce risks from these foreign posts to the minimum. As the House knows, one of the most important protections has always been and must continue to be that tours of duty should be fairly short, for the strain on our people is undoubtedly severe.

I now turn from general security abroad to this country. With the exception of the few points with which I have already dealt, I do not think that there are any new measures that could be introduced beyond the action taken following the Radcliffe and Romer Reports of a year ago, unless, of course, we were to go over to a quite different system of life and one which would introduce a form of security police running not only through the Government Departments, but through the many industrial establishments which deal with matters of interest to a foreign country.

To be effective, this would have to extend wider and wider. I would only pose to the House the question whether we might not be in danger of abandoning our way of life in a desperate effort to protect it if we took that course. Of course, however effective the regulations, and however strenuous the efforts to apply them rigorously, there will always be human errors which may or may not lead to difficulties. Ninety-nine out of a hundred of these errors will not lead to difficulty. One may leave a document open, or fail to keep the rules about locking up the right things. This sort of thing is bound to happen from time to time, but it can be, and is, corrected as far as possible by constant supervision.

I have seen some comment on one other aspect I want to refer to. Why, it is asked, do men and women who work

with someone whose character seems a little out of the ordinary not take upon themselves the duty of reporting their doubts? This is, of course, a duty in Departments of this kind, whether Governmental or industrial. But it is a duty which I think we all realise is very distasteful and very difficult to enforce. What is important is that when such a report is made it should be seriously considered. However, eccentricity or oddity is not necessarily a weakness which leads to treachery, nor can ordinary life be carried on by comrades in an office in day to day work in an atmosphere of perpetual gossip and suspicion. Here again, we have to try to find a reasonable balance.

I said that I would have something to say about possible methods of dealing with future cases of this kind as they may arise. I must warn the House that I think that they will arise. I think that more spies will be caught. It may well be that, with all this tightening up over recent years, we shall bring to justice traitors who have so far escaped. As the whole system improves, we may be able to catch people who have, for the time being, escaped, and, at the same time, we should be able to make it more difficult to recruit new agents.

I think that more cases there will certainly be. I am bound to tell the House of the strange paradox which confronts me from time to time. Naturally, the security services are very pleased when they tell me that they have been able to lay hands on a suspect. But, as the House will well understand, I feel inclined to greet these things, which reflect full credit on the security services, with somewhat less enthusiasm. The knowledge that there had been a spy causes more condemnation than the success in catching him brings approbation.

Nevertheless, I think it right to say that the work of the security forces, very difficult to carry on in the conditions of a free society, is done with increasing skill and certainly with the greatest devotion. This was the conclusion reached by Lord Radcliffe and his colleagues in their large-scale inquiry of 1962; it has been confirmed by the work done since.

However, if there are cases of this kind, and, more especially, if they create the kind of public excitement that has been built round the Vassall case, what

[THE PRIME MINISTER.]
are we to do? How are we to investigate the circumstances after the spy has been dealt with by trial? The only way to obtain the full powers of compelling witnesses, and all the rest, is under the Tribunals of Inquiry (Evidence) Act. We have, of course, had a committee of a judicial character, but not armed with this full authority—for example, the Romer inquiry—and we sometimes have had just ordinary disciplinary inquiries within the service.

I must tell the House that I find myself in agreement, or certainly in sympathy, with those hon. Members who feel that the present position is rather unsatisfactory. I think that in the case which has been the cause of this Report the allegations were so serious that an inquiry under the 1921 Act was not only justified, but absolutely necessary, but there may be cases where none of this atmosphere of scurrilous rumour has been created, but where it is still felt that full inquiry should be made into all the circumstances, partly with a view to disciplinary action, if that is necessary, and partly with a view to learning and applying any lessons for improvement.

I therefore put forward for the House's consideration a plan that I have discussed with some of my advisers, and on which I have already spoken to the right hon. Gentleman the Leader of the Opposition. It might well be advantageous to set up a small standing body—a permanent body—to act as a Security Commission. This might consist of a judicial chairman, assisted and supported by two other members. Those who have had experience of the problems of maintaining security in the public services might well have a valuable contribution to make in this. In addition, we might have a small standing committee of Privy Councillors from both sides of the House.

It would then be possible for the Government to decide, after consultation with the Privy Councillors, whether in any particular case an inquiry by the Security Commission was called for. The responsibility for the decision whether to invite the Security Commission to conduct an inquiry must, naturally, rest with the Government of the day, but they would be fortified and assisted in their decision by consultation with the Privy Councillors.

The question of powers would then remain. There might be cases in which the full powers conferred by the 1921 Act were necessary, but here, perhaps, the initiative might rest with the Security Commission itself. If, at the outset—or, indeed, at any stage of its investigation—the Security Commission felt that its inquiries could not be effective without powers to compel evidence, it would so inform the Government. Parliament would then be asked to pass a Resolution conferring on the Commission, for that particular inquiry, the powers under the Act of 1921. But there might be many cases in which the Commission did not think that that was necessary, so that this rather formidable engine would not be brought automatically into play.

Of course, after the inquiry was held, the Security Commission would report to the Government, and the Prime Minister of the day would consult the standing committee of Privy Councillors when the report had been received—

Mr. George Wigg (Dudley): Would the Prime Minister be good enough to consider that one of the first subjects his proposed new tribunal might deal with is the circumstance in which full details of it appeared in yesterday's *Daily Mail*? Would he also consider that a second subject for this Security Commission to consider might be the fact that, when the Romer Committee was set up, the appointment of Vice-Admiral Sir Geoffrey Thistleton-Smith was also leaked by a Department, so that it appeared on the front page of the *Daily Mail* before it was announced to the House?

The Prime Minister: I very much regret leaks of information, but I do not think that great harm has been done to the nation, or great information conveyed to the enemy. It is just one of those things. It has been discussed quite freely by a number of hon. Members.

What I want to make clear is that this proposal that I am seriously making—and I think that the hon. Member for Dudley (Mr. Wigg) would also like to take it seriously—has the merit of retaining the responsibility for executive decisions where it ought constitutionally to belong but, at the same time, it would take account of the fact that the security of the State transcends the varying policies of successive Governments and is

the con-
ment, a
the Pri
their o
play. V
We thro
sion, an
structur
able.

I con
I feel i
Lord R
think it
ment o
very cl
their F
Press in
276 pa
to do s
—that
there
appear
narrativ
general
Press.
stimula
functio
public

Befo
tions,
me to
papers
tempt
issue
duties
under
alone
felt th
require
the ch
to exa
and it
that q
been r
hesitat

New
out th
have
Govern
push o
"secre
subst
of us
to be
war, t
censor
always
past,
sary.
Vo

the concern of all Members of Parliament, and is a matter in which, I think, the Privy Councillors, by the nature of their oath, may have a special part to play. We have not reached conclusions. We throw out the suggestion for discussion, and I think that it might lead to a structure that will be generally acceptable.

I come now to some observations that I feel it right to make about the Press. Lord Radcliffe and his colleagues did not think it part of their task to offer judgment on the Press, and gave their reasons very clearly in paragraphs 13 and 14 of their Report. They only refer to the Press in, I think, about 50 of the Report's 276 paragraphs, where it was necessary to do so in order to carry out their task—that is, to sift the truth. It is true that there are certain criticisms, but they appear in the framework of the main narrative and in no case constitute a general criticism or attack upon the Press. However, this affair has, naturally, stimulated much discussion about the functions of the Press and its relation to public matters.

Before I pass to some general observations, the House will, perhaps, expect me to make a reference to the two newspapermen committed to prison for contempt of court. This is a much narrower issue and, of course, arises from the duties and powers given to the Tribunal under the 1921 Act. If, in these instances alone out of several others, the Tribunal felt that the questions to which it required a reply were essential links in the chain of events that it was its duty to examine, that is a case for the courts, and it was so treated. But, apart from that question, much wider issues have been raised upon which I would, rather hesitatingly, make some comment.

Newspapers, in their task of finding out the truth and publishing it, may have a feeling that in some cases Governments or their officials tend to push out the frontiers of what is called "secrets" too far, and there may be substance in this. I feel sure that none of us would wish the caution of security to be used to conceal incompetence. In war, there is a very careful and strong censorship of the Press, and that has always been preserved. In peace, in the past, this has normally not been necessary, but I am afraid we must face the

fact that in this unhappy twilight world in which we live in a state of truce—neither war nor peace—it is not always easy for the Government and their officers, or the Press, to know exactly where the lines should be drawn, and that the system can only work on the basis of mutual confidence.

Apart from these security matters, the Press has a right—and, I think it would say, a duty—to find out the truth, to publish it and comment on it as it thinks fit. That is its right, and I think that we all feel that the advantages of a free Press far outweigh any of its disadvantages. Naturally, like any right, this has a corresponding obligation.

As for men in public life—and here we are all in the same boat—I do not think that they must be too sensitive. They must expect, whether by the reporter's words or the cartoonist's pencil, to suffer some wounding blows. This is part of what we assume when we voluntarily enter upon public affairs. At the same time, we have the right to expect that while the Press should be informative, and may even be inquisitive, its curiosity should not amount to something like persecution. We may be wounded, but we should not be hounded.

Similarly, we on our side should recognise the circumstances in which the journalists and the Press labour—the editions that have to be brought out by night and day, the difficulties of avoiding all mistakes. So we must not ourselves be too sensitive. But what I think we have the right to complain of, and this matter has now been dealt with, is if statements are taken as fact when they are only inference and have no foundation, and then, from them, deductions are drawn which I feel certain are realised, within a day or two of their being printed, by those responsible for them to have been fantastic.

Who could really believe, for instance, except when suffering from a fever of suspicion, that my noble Friend acted in the way he was supposed to have acted, that is, falsely and teacherously to his own office, to the Government of which he was a member, and to the Crown, or that his senior officials and officers were guilty of the charges made against them? And who, indeed, could have supposed the story about my hon. Friend the Mem-

[THE PRIME MINISTER.]

a whole. It has been said over and over again that the catching of spies is *prima facie* ground for saying that the security system is effective, but I do not think that it is right that Ministers and Parliament should always have to take that on trust.

Therefore, my right hon. Friend, before me, and now I myself, have been considering whether there are any improvements which can be made in the machinery of inquiries and any improvements which might bring increasing confidence to Parliament and to the country. As far as the precedents go, there have been *ad hoc* inquiries of various kinds over past years, and there have been a number of inquiries which have used the formidable procedures of the Tribunals of Inquiry (Evidence) Act, 1921. Since Lord Denning's Report, and in the light of it, there is probably now wide agreement that, in certain circumstances, nothing short of an inquiry under the 1921 Act will do. I think that that is certainly the conclusion on the recent debate in another place, the report of which hon. Members have probably read. But there is, equally, concern—all feel and share this concern—that, whenever a tribunal is set up, there is a danger that innocent reputations may be damaged.

It was, therefore, with these considerations in mind, and with the question in our minds as to how these matters which involve civil servants involved in a security case should be handled in Parliament, that my right hon. Friend a few months ago put before the House the idea that there might be a Standing Commission on Security. I have had time to think about this and I have had some conversations with the right hon. Gentleman the Leader of the Opposition. I must not anticipate his views, though what I shall say now I think can fairly be said to represent the gist of our private talks. I shall only outline the ideas to the House today, because I want to hear the debate and hear the contributions which hon. Members may make on this subject or, indeed, on any possible amendments of the 1921 Act. If we were to set up a Standing Security Commission, I think, first, that it should have a judicial chairman. Because it is concerned with the

conduct and the effectiveness of the Government services, I think that it would be well to put on it one or two retired civil servants and one or two officers of the Armed Services experienced in security matters. If such a Commission was established, the Prime Minister of the day would decide whether in any particular case it should be asked to inquire into a particular matter, but before taking that decision he would consult the Leader of the Opposition.

The question would then arise as to what kind of powers the Security Commission might have. I would expect that the Commission would normally carry out its duties on Government instructions but that, if in a particular case the Commission's inquiries were not able to be effective without powers to compel evidence, then it would be right for Parliament to confer on it for the purposes of that particular inquiry the powers under the 1921 Act, which can be done by Resolution. The Commission would submit the results of its inquiries and any proposals that it might wish to make for improved machinery consequent upon its inquiries to the Prime Minister, who again at that point would consult the Leader of the Opposition, although it must be reserved for the Government of the day to decide what action, if any, should be taken.

I think that these proposals have some merits, although I have deliberately put forward only the framework today, in view of this debate. In matters relating to breaches of security by a member of the Civil Service, there would be machinery ready at hand to deal with them. In matters relating to a breach of security threatening the State, these arrangements would at each stage be discussed between the Prime Minister and the Leader of the Opposition, thereby achieving something which I believe is of immense importance—an attempt, at any rate, to avoid these matters becoming matters of dispute between the parties in this House. A judicial chairman would give confidence that the inquiry was independent. The presence of senior officers, both from the Civil Service and from the Armed Forces with a knowledge of security would, I think, ensure that knowledge of these very complicated matters was available. The Commission

would be advisory to the Prime Minister, so that in that way it would in no way supplant the courts, and it would preserve the ultimate responsibility in the hands of the Government of the day.

Mr. Sydney Silverman (Nelson and Colne): Would the Prime Minister say what standard of proof would be applied by such a Security Commission? The right hon. Gentleman will remember that this question gave Lord Denning considerable anxiety, whether the ordinary standard of proof which applies in a court of law should be applied, or whether the much lower standard of proof which is applied in inquiries into civil servants' conduct where security may be involved should be applied. The two things are vastly different.

The Prime Minister: I think this is an extremely difficult question. I should have thought that it would have to be left to the judicial chairman to advise in any particular case, and he would also have to advise the Prime Minister whether or not he wished the compulsory powers in the 1921 Act to be invoked.

As I have said, I have deliberately left a number of questions unanswered which will have to be much more closely considered, but in principle the House is in favour of setting up a Standing Security Commission, the Government in consultation with the Leader of the Opposition could proceed to the necessary action.

Lord Denning's Report deals with the past. I believe that in all parts of the House, and certainly in the country, there is a great relief that all the rumours are dead and that public life can continue to be run—this is the only way in which public life can be run—on a basis of trust between the members of a Government and, if I may put it in this way, on a basis of trust between Government and Opposition. I have tried to make proposals which will help, and I think that this is also the country's desire, to see these matters of the security of the State taken as far as possible out of party politics. I hope, therefore, that today we shall find a large measure of agreement and act as a House in these matters which, after all, concern the security of the whole nation.

4.7 p.m.

Mr. Harold Wilson (Huyton): I think that the House would agree that that was a somewhat strange speech from the Prime Minister. Considering that only a very short time ago such great interest was being expressed by the Government and by Ministers in the Denning Report, it is a little surprising that the right hon. Gentleman should dismiss it in so few sentences this afternoon.

I fully agree with the Prime Minister's tribute to Lord Denning, as we would all do, for his integrity, his thoroughness, his devotion to the task which was given him by the Government, and, not least—because everyone has noticed this; the Prime Minister paid tribute to it—for his superb gift of clarity in expressing his conclusions. But after the Prime Minister had paid that tribute to Lord Denning he then proceeded to try to demolish those parts of the Denning Report which were critical of the Government. So we have the situation that the Prime Minister is apparently prepared to accept the Report, apart from those parts which are critical.

After that, the Prime Minister went on to his proposals for a Security Commission, which I will come to in a few minutes, though I must say right away—I am sure the Prime Minister will agree—that what he has suggested here cannot be regarded as anything other than a long stop to deal with breakdowns in the system such as have occurred from time to time, and nothing that he has proposed this afternoon in any way derogates from the responsibility of the executive Government for adequately controlling the security services of this country.

It is true—to this extent I understand the feelings of the right hon. Gentleman—that, although it is only a few weeks since the Denning Report was published, in an atmosphere of salesmanship and ballyhoo such as never previously pervaded the environs of Her Majesty's Stationery Office, this debate now seems curiously remote from the events of last summer and last autumn. I am bound to say that it recalls to me the opening words of a chapter in a book which I hope we have all read called *1066 And All That*, about the early Stuarts. We were told that the first

DR. ERHARD (VISIT)

Q8. Mr. Stonehouse asked the Prime Minister if he will make a statement on his discussions with the Chancellor of the Federal Republic of Germany.

The Prime Minister: I would refer the hon. Member to the Answer which I gave the hon. Member for Ashfield (Mr. Warbey) on 21st January.

Mr. Stonehouse: Is not the Prime Minister aware that it is unsatisfactory that his discussions with Dr. Erhard on Britain's resumption of negotiations to go into the Common Market should remain confidential in view of the public speculation? Will the right hon. Gentleman say whether this was discussed with Dr. Erhard and what assurances he gave?

The Prime Minister: No, Sir. Conversations with Prime Ministers and Foreign Ministers of other countries are always confidential.

SECURITY COMMISSION

Mr. H. Wilson (by Private Notice) asked the Prime Minister whether he is in a position to make a further statement about the machinery for dealing with inquiries on security?

The Prime Minister (Sir Alec Douglas-Home): I apologise to the House for the fact that this is a rather long statement, but it is important.

In the debate on 16th December I described in outline the Government's proposals for a Standing Security Commission and proposed further consultation with the right hon. Gentleman the Leader of the Opposition.

The right hon. Gentleman and I have had further discussions about this and in the light of them the Government have decided to set up a Security Commission with the following terms of reference:

If so requested by the Prime Minister, to investigate and report upon the circumstances in which a breach of security is known to have occurred in the public service, and upon any related failure of departmental security arrangements or neglect of duty; and, in the light of any such investigation, to advise whether any change in security arrangements is necessary or desirable.

Mr. Justice Winn has agreed to serve as Chairman and the other members will be Lord Normanbrook and Sir Caspar John. The Cabinet Office would provide the Secretary of the Commission.

Before asking the Commission to investigate a particular case, the Prime Minister will consult with the Leader of the Opposition.

Under the terms of reference, the Commission could be called upon to act if there had been a breach of security even though there had been no conviction—perhaps because the individual had fled the country.

Normally, the Commission would sit in private and would examine the witnesses themselves.

Usually, it would be unnecessary for any of the witnesses to be legally represented. But it is impossible to foresee all the circumstances, and the Commission would be authorised to permit a witness to be accompanied by his legal adviser if satisfied that his interests required such protection.

Exceptionally, the Commission might find that they were unable to make progress without powers to compel evidence. In such a case, Parliament would be asked to pass the necessary Resolutions under the Tribunals of Inquiry (Evidence) Act, 1921, to vest the Commission with the powers of that Act for that particular inquiry. The Commission would then proceed in all respects as a Tribunal of Inquiry.

The decision whether to sit in private or in public would be governed by the relevant statutory provision, and the normal procedure for having the case presented by counsel and for allowing legal representation would apply. When legal representation was allowed, the Commission would be asked to advise whether an *ex gratia* contribution to the cost of such representation should be made from public funds.

In the ordinary case the Commission would report direct to the Prime Minister. When the Commission had been constituted a Tribunal of Inquiry, the report would formally be submitted to the Home Secretary, as required by the 1921 Act. But in either case the Leader of the Opposition would be consulted by

Se
the Prime
received.
public to
sistent with

Mr. Will
aware that
little long.
convenience
give a full
discussed b

I have c
tion. Since
referred, in
fully agree-
statement—
further act
witnesses to
the truth in
the Commis
1921 Act, v
given him
question—the
both sides o
ing of the

Will the
sider the p
forward on
there should
the House t
1921 Act?

The Prim
believe that
concern. I
in another p
posal, but
should be
tainly consid
to give a
I will con
Gentleman

Mr. Cole
Friend think
ence the wo
"a breach o
occurred"
rather than
would cover
seem to be
his statemen

The Prime
look further
my hon. Frie
the wording

Mr. Grim
make clear
the House, t
Vol. 687

the Prime Minister when the report was received. The report would be made public to the extent that this was consistent with security considerations.

Mr. Wilson: Is the Prime Minister aware that although his answer was a little long, it was undoubtedly for the convenience of the House that he should give a full statement on what has been discussed between us?

I have only one supplementary question. Since the right hon. Gentleman has referred, in circumstances with which I fully agree—and I agree with the whole statement—to the possibility that where further action is necessary to compel witnesses to come forward and to speak the truth it will be necessary to clothe the Commission with the powers of the 1921 Act, will he bear in mind—I have given him notice of this supplementary question—that there is grave concern on both sides of the House about the working of the 1921 Act?

Will the Prime Minister therefore consider the proposal, which we have put forward on a number of occasions, that there should be a Select Committee of the House to review the working of the 1921 Act?

The Prime Minister: Yes, Sir. I believe that there is a lot of anxiety and concern. I do not think that the debate in another place produced any new proposal, but nevertheless these matters should be considered; and I will certainly consider them. I should not like to give a firm undertaking today, but I will consider what the right hon. Gentleman has said.

Mr. Cole: Would not my right hon. Friend think that in the terms of reference the words

“a breach of security is believed to have occurred”

rather than “is known to have occurred” would cover a wider compass and would seem to be justified by the remainder of his statement?

The Prime Minister: I should like to look further at the statement and at what my hon. Friend has said, but I think that the wording covers every possibility.

Mr. Grimond: Can the Prime Minister make clear what will be the position of the House, the Press and the broadcast-

ing authorities when a case is referred to the Commission? It will, presumably, be impossible to discuss it in the House or to ask Questions about it. Will it also be impossible for any comment to be made either on the air or through the Press?

The Prime Minister: I do not see why the statement which I have made should set any limitation on discussion in this House. I should, however, like to consider the point made by the right hon. Gentleman and give him a considered reply, although I do not see *prima facie* any reason why the statement imposes a limitation.

Mr. H. Wilson: I agree with what the Prime Minister has said. Is it not clear that a reference to the Commission, which will not be a judicial tribunal until it is clothed with powers given by this House, would have no effect on the freedom of this House, the Press or broadcasting authorities or anyone else? Could it not be made clear that this body is an administrative Commission and not a judicial tribunal?

Will the Prime Minister, however, consider the point, which bears on the question raised by the right hon. Member for Orkney and Shetland (Mr. Grimond)—it is a point which I have raised with the right hon. Gentleman—that it should be understood that whenever a reference is made to the Commission there will be an announcement of the fact even if it refers to a case which has not become public through prosecution or court proceedings?

The Prime Minister: Yes, Sir; there should be an announcement. There is nothing in what I have said today to curtail the rights of Parliament and the Press.

Mr. Bellenger: The Prime Minister will be aware of the circumstances of the Vassall case. If matters arise which are not entirely security matters which would be kept secret, will the House have access to any comments or reports by the Commission and be in a position to discuss them, if necessary?

The Prime Minister: I would rather that hon. Members read the statement which I have made. On another day we will return to any questions that may interest them. I should not like to

[THE PRIME MINISTER.]
pursue the matter with supplementary questions just at this moment.

Mr. Hale: What would happen if the Commission came to a conclusion at some stage of its inquiry that a criminal offence had been committed? Would it proceed to report or would it refer to the Director of Public Prosecutions the papers, including the voluntary evidence, or what will happen in these circumstances?

The Prime Minister: Again, I should like to consider the question and return to it later.

Mr. Wigg: In his further consideration of this excellent proposal, will the Prime Minister consider the advisability of drawing upon the experience of the board of inquiry set up under the Army and Naval Discipline Acts and give to the Commission in discharging its administrative functions power to take evidence on oath? This is quite apart from any powers for which the Commission might ask under the Tribunals of Inquiry (Evidence) Act.

The Prime Minister indicated assent.

MALAYSIA AND INDONESIA

Mr. Brockway (by Private Notice) asked the Secretary of State for Commonwealth Relations whether he will make a statement on the present negotiations between Malaysia and Indonesia for a cease-fire on the frontiers of Sarawak and Sabah and when British troops are expected to be withdrawn.

The Secretary of State for Commonwealth Relations and Secretary of State for the Colonies (Mr. Duncan Sandys): Through the mediation of Mr. Kennedy, the Presidents of Indonesia and the Philippines and the Prime Minister of Malaysia have agreed to hold a meeting to improve relations between their countries. This meeting will be preceded by a meeting at Foreign Minister level. In addition, there is to be a prior meeting between the Prime Minister of Malaysia and the President of the Philippines.

As a preliminary to these meetings, President Sukarno has issued a cease-fire order to all his forces. However, the

Indonesian Government have explained that it will take about a week for this order to reach those forces which are at present operating across the border in Malaysia.

Since the expression "cease-fire" has been used, it should be emphasised that the Malaysian and British forces have been engaged in a purely defensive rôle and have fired only to repel invaders. Therefore, in present circumstances the question of the withdrawal of British troops does not arise.

Her Majesty's Government warmly welcome the steps which have been announced and they trust that these will lead to the restoration of normal relations between Malaysia and her two neighbours.

Mr. Brockway: Is the right hon. Gentleman aware of the degree to which the House will welcome this announcement and of our appreciation of the great services which Mr. Robert Kennedy has carried out in arranging this preliminary settlement? Will the right hon. Gentleman say whether the Government will give the fullest support to the proposals, made by the three Ministers concerned, that the Manila conference should be resumed so that there may be a consideration of the development of a wider confederation for all these areas?

Mr. Sandys: I have said that we welcome the announcement that there is to be a meeting between the three heads of Government. I think that we must see how they get on.

Mr. B. Harrison: Will my right hon. Friend try to impress on Mr. Kennedy when he is here the need for a guarantee by the American Government of any agreement that is made that full support must be given by the American Government to Malaysia and that we will not have any apparent equivocation by the American Government backing up other countries in the area?

Mr. Sandys: I do not want to anticipate the talks that we are to have with Mr. Kennedy.

Mr. H. Wilson: Is the right hon. Gentleman aware that we all welcome the announcement that has been made? Is he further aware that we welcome the fact that he has made it clear—some announcements have not made

Security

Pl. file

Security Commission

MR GOW

Here is the letter and memorandum
for Mr de Cann. Please will you
deliver it to him.

R.R.P.

20 October 1982

DMF - 21/10/1982

T.G.



10 DOWNING STREET

Prime Minister

Ian Gow thinks that this
will satisfy M. du Cann and
will hand it over to him personally.

FERB

19. 10.

Scandy



10 DOWNING STREET

~~Mr. Gow~~

Before I submit this
to the PM, do you agree that this
should satisfy Mr Do Carr?

FERR

15.10.

Mr BUTLER.

1. I THINK YOU.
2. I THINK THAT THIS IS FINE.
3. THE SOONER THE NEW LETTER IS SIGNED, THE BETTER.
4. IT WOULD FLATTER E & C IF I HANDED IT TO HIM PERSONALLY. 18/10/82-19.



Search

Ref. A09783

MR. BUTLER

*P1. type the letter below for the PM's signature.
We do not need to re-type the memorandum but I
would like better copies of the Harcourt extracts, particularly
of the 23 January 1964 extract.*

Security Commission: Treasury and Civil Service Committee

*FEB
18.10.*

In your minute of 30 September, responding to the minute which I sent the Prime Minister on 16 September (A09502), you said that the Prime Minister would like her letter to Mr du Cann to be revised, so as to forestall comments from the members of the Treasury and Civil Service Committee that the Government appeared to have changed its view about the status of the Security Commission as an "associated public body".

2. I subsequently discussed the matter with the Prime Minister, and she made it clear that she remained strongly of the view that it was not appropriate for the Treasury and Civil Service Committee to enquire into the workings of the Security Commission or to question Lord Bridge. I know that this would also be very much Lord Bridge's own view.

3. I attach a revised version of the letter to Mr du Cann. The revised draft ducks the question whether the Security Commission should or should not be regarded as an "associated public body", and rests the case solely on the nature of its responsibilities and the matters with which it deals.

4. I have now prepared and completed a factual memorandum on the composition and terms of reference of the Security Commission; if the Prime Minister is content, she could send this with her letter to Mr du Cann.

5. If the Prime Minister is content to write accordingly, she may like to invite Mr Gow to convey the letter and memorandum to Mr du Cann.

RTA

ROBERT ARMSTRONG

15 October 1982

DRAFT LETTER FROM THE PRIME MINISTER TO
The Rt Hon Edward du Cann MP

Lord Bridge tells me that, as Chairman of the Treasury and Civil Service Committee, you have written to him to say that the Security Commission is one of the "associated public bodies" on which the Committee is expected to keep an eye, and to ask him to submit a short paper on the remit and working arrangements of the Commission.

Given the nature of the Commission's responsibilities and the matters with which it deals, I do not think that it would be appropriate for the Chairman to answer questions about the way in which it discharges those responsibilities or about its methods of working. But the appointment of its members and the setting of its terms of reference are the responsibility of the Prime Minister. I have asked the Joint Head of the Civil Service to prepare a short factual memorandum on the composition and terms of reference of the Commission and on the arrangements for providing its Secretariat and I enclose his memorandum.

SECURITY COMMISSION

Memorandum by the Joint Head of the Civil Service

ORIGINS

1. The idea of a Security Commission was first mooted after the Radcliffe Tribunal, established under the Tribunals of Inquiry (Evidence) Act 1921, had reported on the Vassall case. The Prime Minister (Mr Macmillan), in a speech on 7 May 1963, canvassed the possibility of establishing a permanent organisation qualified to inquire, report and advise on any future security case, without necessarily requiring to be invested with statutory powers under the Act of 1921. An extract from the Official Report is at

--- Annex A.

2. The Inquiry by Lord Denning into the Profumo affair then had to be set up urgently and no further work was done on the idea of a Security Commission until after he had reported. In the course of the Debate on the Denning Report, the Prime Minister (Sir Alec Douglas-Home) outlined some proposals which differed from those suggested by Mr Macmillan in that they dropped the idea of a Committee of Privy Councillors to oversee the work of a Standing Commission. An extract

--- of his speech, on 16 December 1963, is at Annex B. The Security Commission was finally announced by the Prime Minister on 23 January 1964. A copy of the announcement

--- is at Annex C.

TERMS OF REFERENCE

3. The terms of reference as announced were:

"If so requested by the Prime Minister to investigate and to report upon the circumstances in which a breach of security is known to have occurred in the public service, and upon any related failure of departmental security arrangements or neglect of duty; and, in the light of any such investigation, to advise whether any change in security arrangements is necessary or desirable."

SUBSEQUENT DEVELOPMENTS

4. The first Inquiry carried out by the Security Commission into the Bossard and Allen cases disclosed a weakness in the arrangements. Under the existing conventions, the Commission could not be activated without an announcement. This meant that it could not move, without risk to the sub judice principle, before a case had been tried. It was recognised that this could on occasion conflict with the need to close any breaches in security arrangements with all possible speed. The Prime Minister (Mr Wilson) therefore announced on 10 May 1965, in the course of a statement on the Bossard and Allen cases, a change in the procedures as follows:

"I have told the Rt Hon Gentleman, the Leader of the Opposition, about this problem and I propose to alter the procedure so that a reference can be made to the Commission as soon as the Government are satisfied, or have reason to think, that a breach of security has occurred in the public service. In each case I propose that the Leader of the Opposition be informed before a reference is made. But when a reference to the Commission relates to a matter which is the subject of criminal proceedings before the Courts, then, for

the reason I have explained, no public announcement of the reference to the Commission would be made until it is appropriate to make a statement. "

5. The terms of reference were further modified in March 1969. At the beginning of that year there were several cases of prosecution under the Official Secrets Acts in progress. One of these at least, that of Able Seaman Cloude, seemed to raise no issues justifying the Commission spending time on an Inquiry. The Prime Minister therefore asked the Head of the Civil Service (Sir William Armstrong) in consultation with Lord Justice Winn (Chairman of the Commission) to devise arrangements for giving him advice to enable him to decide whether or not particular cases should be referred to the Security Commission. The revised arrangements were announced by an arranged PQ on 25 March 1969. The Prime Minister said:

"After consultation with the Rt Hon Gentleman, the Leader of the Opposition, I have revised the procedure for deciding whether or not a case involving a prosecution under the Official Secrets Acts should be referred to the Security Commission. In future when a breach of security has led to a prosecution, the Chairman of the Security Commission will receive a statement outlining the facts of the case and will be asked to give his opinion on whether an investigation by the Commission would be likely to serve a useful purpose. I will then consult the Rt Hon Gentleman taking into account the views expressed by the Chairman of the Commission, before deciding whether or not to refer the case to the Commission.

In any other case of known or presumed breach of security I would decide in the light of the circumstances whether or not its significance warranted my consulting the Chairman of the Security Commission and the Rt Hon Gentleman on the question of whether it should be referred to the Security Commission. "

MEMBERSHIP

6. When originally set up, the membership of the Commission comprised only the Chairman and two members. Following the Bossard and Allen Inquiry, however, the membership was expanded to comprise a Chairman and six members including one judicial member who could deputise for the Chairman. Normally each Inquiry is conducted by a Chairman and two members, though on at least one occasion there has been a Chairman and four members. In consultation with the Chairman of the Commission, the Prime Minister decides who should be invited for each particular Inquiry.

7. The present membership of the Commission is as follows:

Lord Bridge of Harwich

Lord Justice Griffiths

Lord Allen of Abbeydale

Lord Greenhill of Harrow

Sir Alan Cottrell

General Sir Hugh Beach

Air Chief Marshal Sir Alasdair Steedman

8. The Secretary of the Commission was provided by the Cabinet Office until 1975, when this responsibility passed to the Civil Service Department. The Secretary is now provided by the Management and Personnel Office.

REPORTS OF THE COMMISSION

9. The Security Commission have examined and reported upon the following cases:

June 1965:	Mr F C Bossard and Staff Sergeant P S Allen	(Cmnd 2722)
July 1966:	Squadron Leader P J Reen	(Cmnd 3151)
June 1967:	Miss H Keenan	(Cmnd 3365)
November 1968:	Chief Technician D R Britten	(Cmnd 3856)
January 1969:	Mr C E Bland	(Cmnd 3892)
May 1973:	Sub Lt D J Bingham and Mr L M Hinchcliffe	(Cmnd 5362)
July 1973:	Lord Lambton and Earl Jellicoe	(Cmnd 5367)
May 1981:	Mr J B Wagstaff	(Cmnd 8325)

In none of its inquiries has the Commission found it necessary to invoke the powers of the Act of 1921.

10. In addition the Commission was invited in March 1981 to report on security procedures and practices in the public service. The Government statement on this report was published as a White Paper in May 1982 (Cmnd 8540). There have also been several cases where the Chairman of the Commission has been consulted under the arrangements introduced in 1969 and has advised against an Inquiry by the Commission.

attachés should be subject to Service discipline and be recruited from the Services. This has the advantage that it makes it much easier to post them on their return and enables them to complete their normal Service careers in non-vulnerable positions. The procedure for reporting from embassies abroad has been reviewed so that embassy staffs will be on the alert for any development affecting security, and any information will be notified to the security service promptly.

Broadly speaking, I think that the regulations now in force are scrupulously adhered to, and if they are we should be able to reduce risks from these foreign posts to the minimum. As the House knows, one of the most important protections has always been and must continue to be that tours of duty should be fairly short, for the strain on our people is undoubtedly severe.

I now turn from general security abroad to this country. With the exception of the few points with which I have already dealt, I do not think that there are any new measures that could be introduced beyond the action taken following the Radcliffe and Romer Reports of a year ago, unless, of course, we were to go over to a quite different system of life and one which would introduce a form of security police running not only through the Government Departments, but through the many industrial establishments which deal with matters of interest to a foreign country.

To be effective, this would have to extend wider and wider. I would only pose to the House the question whether we might not be in danger of abandoning our way of life in a desperate effort to protect it if we took that course. Of course, however effective the regulations, and however strenuous the efforts to apply them rigorously, there will always be human errors which may or may not lead to difficulties. Ninety-nine out of a hundred of these errors will not lead to difficulty. One may leave a document open, or fail to keep the rules about locking up the right things. This sort of thing is bound to happen from time to time, but it can be, and is, corrected as far as possible by constant supervision.

I have seen some comment on one other aspect I want to refer to. Why, it is asked, do men and women who work

with someone whose character seems a little out of the ordinary not take upon themselves the duty of reporting their doubts? This is, of course, a duty in Departments of this kind, whether Governmental or industrial. But it is a duty which I think we all realise is very distasteful and very difficult to enforce. What is important is that when such a report is made it should be seriously considered. However, eccentricity or oddity is not necessarily a weakness which leads to treachery, nor can ordinary life be carried on by comrades in an office in day to day work in an atmosphere of perpetual gossip and suspicion. Here again, we have to try to find a reasonable balance.

I said that I would have something to say about possible methods of dealing with future cases of this kind as they may arise. I must warn the House that I think that they will arise. I think that more spies will be caught. It may well be that, with all this tightening up over recent years, we shall bring to justice traitors who have so far escaped. As the whole system improves, we may be able to catch people who have, for the time being, escaped, and, at the same time, we should be able to make it more difficult to recruit new agents.

I think that more cases there will certainly be. I am bound to tell the House of the strange paradox which confronts me from time to time. Naturally, the security services are very pleased when they tell me that they have been able to lay hands on a suspect. But, as the House will well understand, I feel inclined to greet these things, which reflect full credit on the security services, with somewhat less enthusiasm. The knowledge that there had been a spy causes more condemnation than the success in catching him brings approbation.

Nevertheless, I think it right to say that the work of the security forces, very difficult to carry on in the conditions of a free society, is done with increasing skill and certainly with the greatest devotion. This was the conclusion reached by Lord Radcliffe and his colleagues in their large-scale inquiry of 1962; it has been confirmed by the work done since.

However, if there are cases of this kind, and, more especially, if they create the kind of public excitement that has been built round the Vassall case, what

[THE PRIME MINISTER.]
are we to do? How are we to investigate the circumstances after the spy has been dealt with by trial? The only way to obtain the full powers of compelling witnesses, and all the rest, is under the Tribunals of Inquiry (Evidence) Act. We have, of course, had a committee of a judicial character, but not armed with this full authority—for example, the Romer inquiry—and we sometimes have had just ordinary disciplinary inquiries within the service.

I must tell the House that I find myself in agreement, or certainly in sympathy, with those hon. Members who feel that the present position is rather unsatisfactory. I think that in the case which has been the cause of this Report the allegations were so serious that an inquiry under the 1921 Act was not only justified, but absolutely necessary, but there may be cases where none of this atmosphere of scurilous rumour has been created, but where it is still felt that full inquiry should be made into all the circumstances, partly with a view to disciplinary action, if that is necessary, and partly with a view to learning and applying any lessons for improvement.

I therefore put forward for the House's consideration a plan that I have discussed with some of my advisers, and on which I have already spoken to the right hon. Gentleman the Leader of the Opposition. It might well be advantageous to set up a small standing body—a permanent body—to act as a Security Commission. This might consist of a judicial chairman, assisted and supported by two other members. Those who have had experience of the problems of maintaining security in the public services might well have a valuable contribution to make in this. In addition, we might have a small standing committee of Privy Councillors from both sides of the House.

It would then be possible for the Government to decide, after consultation with the Privy Councillors, whether in any particular case an inquiry by the Security Commission was called for. The responsibility for the decision whether to invite the Security Commission to conduct an inquiry must, naturally, rest with the Government of the day, but they would be fortified and assisted in their decision by consultation with the Privy Councillors.

The question of powers would then remain. There might be cases in which the full powers conferred by the 1921 Act were necessary, but here, perhaps, the initiative might rest with the Security Commission itself. If, at the outset—or, indeed, at any stage of its investigation—the Security Commission felt that its inquiries could not be effective without powers to compel evidence, it would so inform the Government. Parliament would then be asked to pass a Resolution conferring on the Commission, for that particular inquiry, the powers under the Act of 1921. But there might be many cases in which the Commission did not think that that was necessary, so that this rather formidable engine would not be brought automatically into play.

Of course, after the inquiry was held, the Security Commission would report to the Government, and the Prime Minister of the day would consult the standing committee of Privy Councillors when the report had been received—

Mr. George Wigg (Dudley): Would the Prime Minister be good enough to consider that one of the first subjects his proposed new tribunal might deal with is the circumstance in which full details of it appeared in yesterday's *Daily Mail*? Would he also consider that a second subject for this Security Commission to consider might be the fact that, when the Romer Committee was set up, the appointment of Vice-Admiral Sir Geoffrey Thistleton-Smith was also leaked by a Department, so that it appeared on the front page of the *Daily Mail* before it was announced to the House?

The Prime Minister: I very much regret leaks of information, but I do not think that great harm has been done to the nation, or great information conveyed to the enemy. It is just one of those things. It has been discussed quite freely by a number of hon. Members.

What I want to make clear is that this proposal that I am seriously making—and I think that the hon. Member for Dudley (Mr. Wigg) would also like to take it seriously—has the merit of retaining the responsibility for executive decisions where it ought constitutionally to belong but, at the same time, it would take account of the fact that the security of the State transcends the varying policies of successive Governments and is

the cond
ment, an
the Priv
their oaf
play. W
We thro
sion, and
structure
able.

I com
I feel it
Lord Ra
think it
ment on
very clea
their Re
Press in,
276 para
to do so
—that is
there a
appear
narrative
general
Press. F
stimulate
function
public r

Before
tions, th
me to m
paperme
tempt of
issue an
duties a
under th
alone of
felt tha
required
the cha
to exam
and it v
that qu
been ra
hesitatin

News
out the
have a
Govern
push ou
"secret
substan
of us w
to be u
war, th
censors
always
past, th
sary, b
Vol.

the concern of all Members of Parliament, and is a matter in which, I think, the Privy Councillors, by the nature of their oath, may have a special part to play. We have not reached conclusions. We throw out the suggestion for discussion, and I think that it might lead to a structure that will be generally acceptable.

I come now to some observations that I feel it right to make about the Press. Lord Radcliffe and his colleagues did not think it part of their task to offer judgment on the Press, and gave their reasons very clearly in paragraphs 13 and 14 of their Report. They only refer to the Press in, I think, about 50 of the Report's 276 paragraphs, where it was necessary to do so in order to carry out their task—that is, to sift the truth. It is true that there are certain criticisms, but they appear in the framework of the main narrative and in no case constitute a general criticism or attack upon the Press. However, this affair has, naturally, stimulated much discussion about the functions of the Press and its relation to public matters.

Before I pass to some general observations, the House will, perhaps, expect me to make a reference to the two newspapermen committed to prison for contempt of court. This is a much narrower issue and, of course, arises from the duties and powers given to the Tribunal under the 1921 Act. If, in these instances alone out of several others, the Tribunal felt that the questions to which it required a reply were essential links in the chain of events that it was its duty to examine, that is a case for the courts, and it was so treated. But, apart from that question, much wider issues have been raised upon which I would, rather hesitatingly, make some comment.

Newspapers, in their task of finding out the truth and publishing it, may have a feeling that in some cases Governments or their officials tend to push out the frontiers of what is called "secrets" too far, and there may be substance in this. I feel sure that none of us would wish the caution of security to be used to conceal incompetence. In war, there is a very careful and strong censorship of the Press, and that has always been preserved. In peace, in the past, this has normally not been necessary, but I am afraid we must face the

fact that in this unhappy twilight world in which we live in a state of truce—neither war nor peace—it is not always easy for the Government and their officers, or the Press, to know exactly where the line should be drawn, and that the system can only work on the basis of mutual confidence.

Apart from these security matters, the Press has a right—and, I think it would say, a duty—to find out the truth, to publish it and comment on it as it thinks fit. That is its right, and I think that we all feel that the advantages of a free Press far outweigh any of its disadvantages. Naturally, like any right, this has a corresponding obligation.

As for men in public life—and here we are all in the same boat—I do not think that they must be too sensitive. They must expect, whether by the reporter's words or the cartoonist's pencil, to suffer some wounding blows. This is part of what we assume when we voluntarily enter upon public affairs. At the same time, we have the right to expect that while the Press should be informative, and may even be inquisitive, its curiosity should not amount to something like persecution. We may be wounded, but we should not be hounded.

Similarly, we on our side should recognise the circumstances in which the journalists and the Press labour—the editions that have to be brought out by night and day, the difficulties of avoiding all mistakes. So we must not ourselves be too sensitive. But what I think we have the right to complain of, and this matter has now been dealt with, is if statements are taken as fact when they are only inference and have no foundation, and then, from them, deductions are drawn which I feel certain are realised, within a day or two of their being printed, by those responsible for them to have been fantastic.

Who could really believe, for instance, except when suffering from a fever of suspicion, that my noble Friend acted in the way he was supposed to have acted, that is, falsely and teacherously to his own office, to the Government of which he was a member, and to the Crown, or that his senior officials and officers were guilty of the charges made against them? And who, indeed, could have supposed the story about my hon. Friend the Mem-

[THE PRIME MINISTER.]

a whole. It has been said over and over again that the catching of spies is *prima facie* ground for saying that the security system is effective, but I do not think that it is right that Ministers and Parliament should always have to take that on trust.

Therefore, my right hon. Friend, before me, and now I myself, have been considering whether there are any improvements which can be made in the machinery of inquiries and any improvements which might bring increasing confidence to Parliament and to the country. As far as the precedents go, there have been *ad hoc* inquiries of various kinds over past years, and there have been a number of inquiries which have used the formidable procedures of the Tribunals of Inquiry (Evidence) Act, 1921. Since Lord Denning's Report, and in the light of it, there is probably now wide agreement that, in certain circumstances, nothing short of an inquiry under the 1921 Act will do. I think that that is certainly the conclusion on the recent debate in another place, the report of which hon. Members have probably read. But there is, equally, concern—all feel and share this concern—that, whenever a tribunal is set up, there is a danger that innocent reputations may be damaged.

It was, therefore, with these considerations in mind, and with the question in our minds as to how these matters which involve civil servants involved in a security case should be handled in Parliament, that my right hon. Friend a few months ago put before the House the idea that there might be a Standing Commission on Security. I have had time to think about this and I have had some conversations with the right hon. Gentleman the Leader of the Opposition. I must not anticipate his views, though what I shall say now I think can fairly be said to represent the gist of our private talks. I shall only outline the ideas to the House today, because I want to hear the debate and hear the contributions which hon. Members may make on this subject or, indeed, on any possible amendments of the 1921 Act. If we were to set up a Standing Security Commission, I think, first, that it should have a judicial chairman. Because it is concerned with the

conduct and the effectiveness of the Government services, I think that it would be well to put on it one or two retired civil servants and one or two officers of the Armed Services experienced in security matters. If such a Commission was established, the Prime Minister of the day would decide whether in any particular case it should be asked to inquire into a particular matter, but before taking that decision he would consult the Leader of the Opposition.

The question would then arise as to what kind of powers the Security Commission might have. I would expect that the Commission would normally carry out its duties on Government instructions but that, if in a particular case the Commission's inquiries were not able to be effective without powers to compel evidence, then it would be right for Parliament to confer on it for the purposes of that particular inquiry the powers under the 1921 Act, which can be done by Resolution. The Commission would submit the results of its inquiries and any proposals that it might wish to make for improved machinery consequent upon its inquiries to the Prime Minister, who again at that point would consult the Leader of the Opposition, although it must be reserved for the Government of the day to decide what action, if any, should be taken.

I think that these proposals have some merits, although I have deliberately put forward only the framework today, in view of this debate. In matters relating to breaches of security by a member of the Civil Service, there would be machinery ready at hand to deal with them. In matters relating to a breach of security threatening the State, these arrangements would at each stage be discussed between the Prime Minister and the Leader of the Opposition, thereby achieving something which I believe is of immense importance—an attempt, at any rate, to avoid these matters becoming matters of dispute between the parties in this House. A judicial chairman would give confidence that the inquiry was independent. The presence of senior officers, both from the Civil Service and from the Armed Forces with a knowledge of security would, I think, ensure that knowledge of these very complicated matters was available. The Commission

would be advisory to the Prime Minister, so that in that way it would in no way supplant the courts, and it would preserve the ultimate responsibility in the hands of the Government of the day.

Mr. Sydney Silverman (Nelson and Colne): Would the Prime Minister say what standard of proof would be applied by such a Security Commission? The right hon. Gentleman will remember that this question gave Lord Denning considerable anxiety, whether the ordinary standard of proof which applies in a court of law should be applied, or whether the much lower standard of proof which is applied in inquiries into civil servants' conduct where security may be involved should be applied. The two things are vastly different.

The Prime Minister: I think this is an extremely difficult question. I should have thought that it would have to be left to the judicial chairman to advise in any particular case, and he would also have to advise the Prime Minister whether or not he wished the compulsory powers in the 1921 Act to be invoked.

As I have said, I have deliberately left a number of questions unanswered which will have to be much more closely considered, but in principle the House is in favour of setting up a Standing Security Commission, the Government in consultation with the Leader of the Opposition could proceed to the necessary action.

Lord Denning's Report deals with the past. I believe that in all parts of the House, and certainly in the country, there is a great relief that all the rumours are dead and that public life can continue to be run—this is the only way in which public life can be run—on a basis of trust between the members of a Government and, if I may put it in this way, on a basis of trust between Government and Opposition. I have tried to make proposals which will help, and I think that this is also the country's desire, to see these matters of the security of the State taken as far as possible out of party politics. I hope, therefore, that today we shall find a large measure of agreement and act as a House in these matters which, after all, concern the security of the whole nation.

4.7 p.m.

Mr. Harold Wilson (Huyton): I think that the House would agree that that was a somewhat strange speech from the Prime Minister. Considering that only a very short time ago such great interest was being expressed by the Government and by Ministers in the Denning Report, it is a little surprising that the right hon. Gentleman should dismiss it in so few sentences this afternoon.

I fully agree with the Prime Minister's tribute to Lord Denning, as we would all do, for his integrity, his thoroughness, his devotion to the task which was given him by the Government, and, not least—because everyone has noticed this; the Prime Minister paid tribute to it—for his superb gift of clarity in expressing his conclusions. But after the Prime Minister had paid that tribute to Lord Denning he then proceeded to try to demolish those parts of the Denning Report which were critical of the Government. So we have the situation that the Prime Minister is apparently prepared to accept the Report, apart from those parts which are critical.

After that, the Prime Minister went on to his proposals for a Security Commission, which I will come to in a few minutes, though I must say right away—I am sure the Prime Minister will agree—that what he has suggested here cannot be regarded as anything other than a long stop to deal with breakdowns in the system such as have occurred from time to time, and nothing that he has proposed this afternoon in any way derogates from the responsibility of the executive Government for adequately controlling the security services of this country.

It is true—to this extent I understand the feelings of the right hon. Gentleman—that, although it is only a few weeks since the Denning Report was published, in an atmosphere of salesmanship and ballyhoo such as never previously pervaded the environs of Her Majesty's Stationery Office, this debate now seems curiously remote from the events of last summer and last autumn. I am bound to say that it recalls to me the opening words of a chapter in a book which I hope we have all read called *1066 And All That*, about the early Stuarts. We were told that the first

DR. ERHARD (VISIT)

Q8. Mr. Stonehouse asked the Prime Minister if he will make a statement on his discussions with the Chancellor of the Federal Republic of Germany.

The Prime Minister: I would refer the hon. Member to the Answer which I gave the hon. Member for Ashfield (Mr. Warbey) on 21st January.

Mr. Stonehouse: Is not the Prime Minister aware that it is unsatisfactory that his discussions with Dr. Erhard on Britain's resumption of negotiations to go into the Common Market should remain confidential in view of the public speculation? Will the right hon. Gentleman say whether this was discussed with Dr. Erhard and what assurances he gave?

The Prime Minister: No, Sir. Conversations with Prime Ministers and Foreign Ministers of other countries are always confidential.

SECURITY COMMISSION

Mr. H. Wilson (by Private Notice) asked the Prime Minister whether he is in a position to make a further statement about the machinery for dealing with inquiries on security?

The Prime Minister (Sir Alec Douglas-Home): I apologise to the House for the fact that this is a rather long statement, but it is important.

In the debate on 16th December I described in outline the Government's proposals for a Standing Security Commission and proposed further consultation with the right hon. Gentleman the Leader of the Opposition.

The right hon. Gentleman and I have had further discussions about this and in the light of them the Government have decided to set up a Security Commission with the following terms of reference:

If so requested by the Prime Minister, to investigate and report upon the circumstances in which a breach of security is known to have occurred in the public service, and upon any related failure of departmental security arrangements or neglect of duty; and, in the light of any such investigation, to advise whether any change in security arrangements is necessary or desirable.

Mr. Justice Winn has agreed to serve as Chairman and the other members will be Lord Normanbrook and Sir Caspar John. The Cabinet Office would provide the Secretary of the Commission.

Before asking the Commission to investigate a particular case, the Prime Minister will consult with the Leader of the Opposition.

Under the terms of reference, the Commission could be called upon to act if there had been a breach of security even though there had been no conviction—perhaps because the individual had fled the country.

Normally, the Commission would sit in private and would examine the witnesses themselves.

Usually, it would be unnecessary for any of the witnesses to be legally represented. But it is impossible to foresee all the circumstances, and the Commission would be authorised to permit a witness to be accompanied by his legal adviser if satisfied that his interests required such protection.

Exceptionally, the Commission might find that they were unable to make progress without powers to compel evidence. In such a case, Parliament would be asked to pass the necessary Resolutions under the Tribunals of Inquiry (Evidence) Act, 1921, to vest the Commission with the powers of that Act for that particular inquiry. The Commission would then proceed in all respects as a Tribunal of Inquiry.

The decision whether to sit in private or in public would be governed by the relevant statutory provision, and the normal procedure for having the case presented by counsel and for allowing legal representation would apply. When legal representation was allowed the Commission would be asked to advise whether an *ex gratia* contribution to the cost of such representation should be made from public funds.

In the ordinary case the Commission would report direct to the Prime Minister. When the Commission had been constituted a Tribunal of Inquiry, the report would formally be submitted to the Home Secretary, as required by the 1921 Act. But in either case the Leader of the Opposition would be consulted by

the Prime Minister received. The public to the consistent with

Mr. Wils aware that little long. convenience give a full discussed be

I have or tion. Since referred, in fully agree—statement—t further actio witnesses to the truth it the Commiss 1921 Act, w given him n question—the both sides of ing of the 19

Will the P sider the pro forward on a there should the House to 1921 Act?

The Prime believe that t concern. I d in another pl posal, but should be co tainly consid to give a fil I will consi Gentleman h

Mr. Cole: Friend think ence the worc "a breach of occurred" rather than " would cover a seem to be ju his statement

The Prime look further a my hon. Frie the wording

Mr. Grimor make clear w the House, th Vol. 687

the Prime Minister when the report was received. The report would be made public to the extent that this was consistent with security considerations:

Mr. Wilson: Is the Prime Minister aware that although his answer was a little long, it was undoubtedly for the convenience of the House that he should give a full statement on what has been discussed between us?

I have only one supplementary question. Since the right hon. Gentleman has referred, in circumstances with which I fully agree—and I agree with the whole statement—to the possibility that where further action is necessary to compel witnesses to come forward and to speak the truth it will be necessary to clothe the Commission with the powers of the 1921 Act, will he bear in mind—I have given him notice of this supplementary question—that there is grave concern on both sides of the House about the working of the 1921 Act?

Will the Prime Minister therefore consider the proposal, which we have put forward on a number of occasions, that there should be a Select Committee of the House to review the working of the 1921 Act?

The Prime Minister: Yes, Sir. I believe that there is a lot of anxiety and concern. I do not think that the debate in another place produced any new proposal, but nevertheless these matters should be considered; and I will certainly consider them. I should not like to give a firm undertaking today, but I will consider what the right hon. Gentleman has said.

Mr. Cole: Would not my right hon. Friend think that in the terms of reference the words

“a breach of security is believed to have occurred”

rather than “is known to have occurred” would cover a wider compass and would seem to be justified by the remainder of his statement?

The Prime Minister: I should like to look further at the statement and at what my hon. Friend has said, but I think that the wording covers every possibility.

Mr. Grimond: Can the Prime Minister make clear what will be the position of the House, the Press and the broadcast-

Vol. 687

ing authorities when a case is referred to the Commission? It will, presumably, be impossible to discuss it in the House or to ask Questions about it. Will it also be impossible for any comment to be made either on the air or through the Press?

The Prime Minister: I do not see why the statement which I have made should set any limitation on discussion in this House. I should, however, like to consider the point made by the right hon. Gentleman and give him a considered reply, although I do not see *prima facie* any reason why the statement imposes a limitation.

Mr. H. Wilson: I agree with what the Prime Minister has said. Is it not clear that a reference to the Commission, which will not be a judicial tribunal until it is clothed with powers given by this House, would have no effect on the freedom of this House, the Press or broadcasting authorities or anyone else? Could it not be made clear that this body is an administrative Commission and not a judicial tribunal?

Will the Prime Minister, however, consider the point, which bears on the question raised by the right hon. Member for Orkney and Shetland (Mr. Grimond)—it is a point which I have raised with the right hon. Gentleman—that it should be understood that whenever a reference is made to the Commission there will be an announcement of the fact even if it refers to a case which has not become public through prosecution or court proceedings?

The Prime Minister: Yes, Sir; there should be an announcement. There is nothing in what I have said today to curtail the rights of Parliament and the Press.

Mr. Bellenger: The Prime Minister will be aware of the circumstances of the Vassall case. If matters arise which are not entirely security matters which would be kept secret, will the House have access to any comments or reports by the Commission and be in a position to discuss them, if necessary?

The Prime Minister: I would rather that hon. Members read the statement which I have made. On another day we will return to any questions that may interest them. I should not like to

X 3

[THE PRIME MINISTER.]
pursue the matter with supplementary questions just at this moment.

Mr. Hale : What would happen if the Commission came to a conclusion at some stage of its inquiry that a criminal offence had been committed? Would it proceed to report or would it refer to the Director of Public Prosecutions the papers, including the voluntary evidence, or what will happen in these circumstances?

The Prime Minister : Again, I should like to consider the question and return to it later.

Mr. Wigg : In his further consideration of this excellent proposal, will the Prime Minister consider the advisability of drawing upon the experience of the board of inquiry set up under the Army and Naval Discipline Acts and give to the Commission in discharging its administrative functions power to take evidence on oath? This is quite apart from any powers for which the Commission might ask under the Tribunals of Inquiry (Evidence) Act.

The Prime Minister indicated assent.

MALAYSIA AND INDONESIA

Mr. Brockway (by Private Notice) asked the Secretary of State for Commonwealth Relations whether he will make a statement on the present negotiations between Malaysia and Indonesia for a cease-fire on the frontiers of Sarawak and Sabah and when British troops are expected to be withdrawn.

The Secretary of State for Commonwealth Relations and Secretary of State for the Colonies (Mr. Duncan Sandys) : Through the mediation of Mr. Kennedy, the Presidents of Indonesia and the Philippines and the Prime Minister of Malaysia have agreed to hold a meeting to improve relations between their countries. This meeting will be preceded by a meeting at Foreign Minister level. In addition, there is to be a prior meeting between the Prime Minister of Malaysia and the President of the Philippines.

As a preliminary to these meetings, President Sukarno has issued a cease-fire order to all his forces. However, the

Indonesian Government have explained that it will take about a week for this order to reach those forces which are at present operating across the border in Malaysia.

Since the expression "cease-fire" has been used, it should be emphasised that the Malaysian and British forces have been engaged in a purely defensive rôle and have fired only to repel invaders. Therefore, in present circumstances the question of the withdrawal of British troops does not arise.

Her Majesty's Government warmly welcome the steps which have been announced and they trust that these will lead to the restoration of normal relations between Malaysia and her two neighbours.

Mr. Brockway : Is the right hon. Gentleman aware of the degree to which the House will welcome this announcement and of our appreciation of the great services which Mr. Robert Kennedy has carried out in arranging this preliminary settlement? Will the right hon. Gentleman say whether the Government will give the fullest support to the proposals, made by the three Ministers concerned, that the Manila conference should be resumed so that there may be a consideration of the development of a wider confederation for all these areas?

Mr. Sandys : I have said that we welcome the announcement that there is to be a meeting between the three heads of Government. I think that we must see how they get on.

Mr. B. Harrison : Will my right hon. Friend try to impress on Mr. Kennedy when he is here the need for a guarantee by the American Government of any agreement that is made that full support must be given by the American Government to Malaysia and that we will not have any apparent equivocation by the American Government backing up other countries in the area?

Mr. Sandys : I do not want to anticipate the talks that we are to have with Mr. Kennedy.

Mr. H. Wilson : Is the right hon. Gentleman aware that we all welcome the announcement that has been made? Is he further aware that we welcome the fact that he has made it clear—some announcements have not made it

MR BUTLER

Ange
Pl. hold with papers for
Mr Kinnock meeting
ERB

SECURITY COMMISSION

Memorandum by the Joint Head of the Civil Service

ORIGINS

1. The idea of a Security Commission was first mooted after the Radcliffe Tribunal, established under the Tribunals of Inquiry (Evidence) Act 1921, had reported on the Vassall case. The Prime Minister (Mr Macmillan), in a speech on 7 May 1963, canvassed the possibility of establishing a permanent organisation qualified to inquire, report and advise on any future security case, without necessarily requiring to be invested with statutory powers under the Act of 1921. An extract from the Official Report is at --- Annex A.

2. The Inquiry by Lord Denning into the Profumo affair then had to be set up urgently and no further work was done on the idea of a Security Commission until after he had reported. In the course of the Debate on the Denning Report, the Prime Minister (Sir Alec Douglas-Home) outlined some proposals which differed from those suggested by Mr Macmillan in that they dropped the idea of a Committee of Privy Councillors to oversee the work of a Standing Commission. An extract --- of his speech, on 16 December 1963, is at Annex B. The Security Commission was finally announced by the Prime Minister on 23 January 1964. A copy of the announcement --- is at Annex C.

TERMS OF REFERENCE

3. The terms of reference as announced were:

"If so requested by the Prime Minister to investigate and to report upon the circumstances in which a breach of security is known to have occurred in the public service, and upon any related failure of departmental security arrangements or neglect of duty; and, in the light of any such investigation, to advise whether any change in security arrangements is necessary or desirable."

SUBSEQUENT DEVELOPMENTS

4. The first Inquiry carried out by the Security Commission into the Bossard and Allen cases disclosed a weakness in the arrangements. Under the existing conventions, the Commission could not be activated without an announcement. This meant that it could not move, without risk to the sub judice principle, before a case had been tried. It was recognised that this could on occasion conflict with the need to close any breaches in security arrangements with all possible speed. The Prime Minister (Mr Wilson) therefore announced on 10 May 1965, in the course of a statement on the Bossard and Allen cases, a change in the procedures as follows:

"I have told the Rt Hon Gentleman, the Leader of the Opposition, about this problem and I propose to alter the procedure so that a reference can be made to the Commission as soon as the Government are satisfied, or have reason to think, that a breach of security has occurred in the public service. In each case I propose that the Leader of the Opposition be informed before a reference is made. But when a reference to the Commission relates to a matter which is the subject of criminal proceedings before the Courts, then, for

the reason I have explained, no public announcement of the reference to the Commission would be made until it is appropriate to make a statement. "

5. The terms of reference were further modified in March 1969. At the beginning of that year there were several cases of prosecution under the Official Secrets Acts in progress. One of these at least, that of Able Seaman Cloude, seemed to raise no issues justifying the Commission spending time on an Inquiry. The Prime Minister therefore asked the Head of the Civil Service (Sir William Armstrong) in consultation with Lord Justice Winn (Chairman of the Commission) to devise arrangements for giving him advice to enable him to decide whether or not particular cases should be referred to the Security Commission. The revised arrangements were announced by an arranged PQ on 25 March 1969. The Prime Minister said:

"After consultation with the Rt Hon Gentleman, the Leader of the Opposition, I have revised the procedure for deciding whether or not a case involving a prosecution under the Official Secrets Acts should be referred to the Security Commission. In future when a breach of security has led to a prosecution, the Chairman of the Security Commission will receive a statement outlining the facts of the case and will be asked to give his opinion on whether an investigation by the Commission would be likely to serve a useful purpose. I will then consult the Rt Hon Gentleman taking into account the views expressed by the Chairman of the Commission, before deciding whether or not to refer the case to the Commission.

In any other case of known or presumed breach of security I would decide in the light of the circumstances whether or not its significance warranted my consulting the Chairman of the Security Commission and the Rt Hon Gentleman on the question of whether it should be referred to the Security Commission. "

MEMBERSHIP

6. When originally set up, the membership of the Commission comprised only the Chairman and two members. Following the Bossard and Allen Inquiry, however, the membership was expanded to comprise a Chairman and six members including one judicial member who could deputise for the Chairman. Normally each Inquiry is conducted by a Chairman and two members, though on at least one occasion there has been a Chairman and four members. In consultation with the Chairman of the Commission, the Prime Minister decides who should be invited for each particular Inquiry.

7. The present membership of the Commission is as follows:

Lord Bridge of Harwich

Lord Justice Griffiths

Lord Allen of Abbeydale

Lord Greenhill of Harrow

Sir Alan Cottrell

General Sir Hugh Beach

Air Chief Marshal Sir Alasdair Steedman

8. The Secretary of the Commission was provided by the Cabinet Office until 1975, when this responsibility passed to the Civil Service Department. The Secretary is now provided by the Management and Personnel Office.

REPORTS OF THE COMMISSION

9. The Security Commission have examined and reported upon the following cases:

June 1965:	Mr F C Bossard and Staff Sergeant P S Allen	(Cmnd 2722)
July 1966:	Squadron Leader P J Reen	(Cmnd 3151)
June 1967:	Miss H Keenan	(Cmnd 3365)
November 1968:	Chief Technician D R Britten	(Cmnd 3856)
January 1969:	Mr C E Bland	(Cmnd 3892)
May 1973:	Sub Lt D J Bingham and Mr L M Hinchcliffe	(Cmnd 5362)
July 1973:	Lord Lambton and Earl Jellicoe	(Cmnd 5367)
May 1981:	Mr J B Wagstaff	(Cmnd 8325)

In none of its inquiries has the Commission found it necessary to invoke the powers of the Act of 1921.

10. In addition the Commission was invited in March 1981 to report on security procedures and practices in the public service. The Government statement on this report was published as a White Paper in May 1982 (Cmnd 8540). There have also been several cases where the Chairman of the Commission has been consulted under the arrangements introduced in 1969 and has advised against an Inquiry by the Commission.

attachés should be subject to Service discipline and be recruited from the Services. This has the advantage that it makes it much easier to post them on their return and enables them to complete their normal Service careers in non-vulnerable positions. The procedure for reporting from embassies abroad has been reviewed so that embassy staffs will be on the alert for any development affecting security, and any information will be notified to the security service promptly.

Broadly speaking, I think that the regulations now in force are scrupulously adhered to, and if they are we should be able to reduce risks from these foreign posts to the minimum. As the House knows, one of the most important protections has always been and must continue to be that tours of duty should be fairly short, for the strain on our people is undoubtedly severe.

I now turn from general security abroad to this country. With the exception of the few points with which I have already dealt, I do not think that there are any new measures that could be introduced beyond the action taken following the Radcliffe and Romer Reports of a year ago, unless, of course, we were to go over to a quite different system of life and one which would introduce a form of security police running not only through the Government Departments, but through the many industrial establishments which deal with matters of interest to a foreign country.

To be effective, this would have to extend wider and wider. I would only pose to the House the question whether we might not be in danger of abandoning our way of life in a desperate effort to protect it if we took that course. Of course, however effective the regulations, and however strenuous the efforts to apply them rigorously, there will always be human errors which may or may not lead to difficulties. Ninety-nine out of a hundred of these errors will not lead to difficulty. One may leave a document open, or fail to keep the rules about locking up the right things. This sort of thing is bound to happen from time to time, but it can be, and is, corrected as far as possible by constant supervision.

I have seen some comment on one other aspect I want to refer to. Why, it is asked, do men and women who work

with someone whose character seems a little out of the ordinary not take upon themselves the duty of reporting their doubts? This is, of course, a duty in Departments of this kind, whether Governmental or industrial. But it is a duty which I think we all realise is very distasteful and very difficult to enforce. What is important is that when such a report is made it should be seriously considered. However, eccentricity or oddity is not necessarily a weakness which leads to treachery, nor can ordinary life be carried on by comrades in an office in day to day work in an atmosphere of perpetual gossip and suspicion. Here again, we have to try to find a reasonable balance.

I said that I would have something to say about possible methods of dealing with future cases of this kind as they may arise. I must warn the House that I think that they will arise. I think that more spies will be caught. It may well be that, with all this tightening up over recent years, we shall bring to justice traitors who have so far escaped. As the whole system improves, we may be able to catch people who have, for the time being, escaped, and, at the same time, we should be able to make it more difficult to recruit new agents.

I think that more cases there will certainly be. I am bound to tell the House of the strange paradox which confronts me from time to time. Naturally, the security services are very pleased when they tell me that they have been able to lay hands on a suspect. But, as the House will well understand, I feel inclined to greet these things, which reflect full credit on the security services, with somewhat less enthusiasm. The knowledge that there had been a spy causes more condemnation than the success in catching him brings approbation.

Nevertheless, I think it right to say that the work of the security forces, very difficult to carry on in the conditions of a free society, is done with increasing skill and certainly with the greatest devotion. This was the conclusion reached by Lord Radcliffe and his colleagues in their large-scale inquiry of 1962; it has been confirmed by the work done since.

However, if there are cases of this kind, and, more especially, if they create the kind of public excitement that has been built round the Vassall case, what

[THE PRIME MINISTER.]
 are we to do? How are we to investigate the circumstances after the spy has been dealt with by trial? The only way to obtain the full powers of compelling witnesses, and all the rest, is under the Tribunals of Inquiry (Evidence) Act. We have, of course, had a committee of a judicial character, but not armed with this full authority—for example, the Romer inquiry—and we sometimes have had just ordinary disciplinary inquiries within the service.

I must tell the House that I find myself in agreement, or certainly in sympathy, with those hon. Members who feel that the present position is rather unsatisfactory. I think that in the case which has been the cause of this Report the allegations were so serious that an inquiry under the 1921 Act was not only justified, but absolutely necessary, but there may be cases where none of this atmosphere of scurrilous rumour has been created, but where it is still felt that full inquiry should be made into all the circumstances, partly with a view to disciplinary action, if that is necessary, and partly with a view to learning and applying any lessons for improvement.

I therefore put forward for the House's consideration a plan that I have discussed with some of my advisers, and on which I have already spoken to the right hon. Gentleman the Leader of the Opposition. It might well be advantageous to set up a small standing body—a permanent body—to act as a Security Commission. This might consist of a judicial chairman, assisted and supported by two other members. Those who have had experience of the problems of maintaining security in the public services might well have a valuable contribution to make in this. In addition, we might have a small standing committee of Privy Councillors from both sides of the House.

It would then be possible for the Government to decide, after consultation with the Privy Councillors, whether in any particular case an inquiry by the Security Commission was called for. The responsibility for the decision whether to invite the Security Commission to conduct an inquiry must, naturally, rest with the Government of the day, but they would be fortified and assisted in their decision by consultation with the Privy Councillors.

The question of powers would then remain. There might be cases in which the full powers conferred by the 1921 Act were necessary, but here, perhaps, the initiative might rest with the Security Commission itself. If, at the outset—or, indeed, at any stage of its investigation—the Security Commission felt that its inquiries could not be effective without powers to compel evidence, it would so inform the Government. Parliament would then be asked to pass a Resolution conferring on the Commission, for that particular inquiry, the powers under the Act of 1921. But there might be many cases in which the Commission did not think that that was necessary, so that this rather formidable engine would not be brought automatically into play.

Of course, after the inquiry was held, the Security Commission would report to the Government, and the Prime Minister of the day would consult the standing committee of Privy Councillors when the report had been received—

Mr. George Wigg (Dudley): Would the Prime Minister be good enough to consider that one of the first subjects his proposed new tribunal might deal with is the circumstance in which full details of it appeared in yesterday's *Daily Mail*? Would he also consider that a second subject for this Security Commission to consider might be the fact that, when the Romer Committee was set up, the appointment of Vice-Admiral Sir Geoffrey Thistleton-Smith was also leaked by a Department, so that it appeared on the front page of the *Daily Mail* before it was announced to the House?

The Prime Minister: I very much regret leaks of information, but I do not think that great harm has been done to the nation, or great information conveyed to the enemy. It is just one of those things. It has been discussed quite freely by a number of hon. Members.

What I want to make clear is that this proposal that I am seriously making—and I think that the hon. Member for Dudley (Mr. Wigg) would also like to take it seriously—has the merit of retaining the responsibility for executive decisions where it ought constitutionally to belong but, at the same time, it would take account of the fact that the security of the State transcends the varying policies of successive Governments and is

the c
 ment,
 the F
 their
 play.
 We t
 sion,
 struct
 able.

I c
 I feel
 Lord
 think
 ment
 very
 their
 Press
 276 p
 to do
 —tha
 there
 appea
 narra
 gener
 Press
 stimu
 funct
 publi

Be
 tions
 me to
 pape
 temp
 issue
 dutie
 unde
 along
 felt
 requ
 the c
 to ex
 and
 that
 been
 hesit

N
 out
 have
 Gov
 push
 "sec
 subs
 of u
 to b
 war
 cens
 alwa
 past
 sary

the concern of all Members of Parliament, and is a matter in which, I think, the Privy Councillors, by the nature of their oath, may have a special part to play. We have not reached conclusions. We throw out the suggestion for discussion, and I think that it might lead to a structure that will be generally acceptable.

I come now to some observations that I feel it right to make about the Press. Lord Radcliffe and his colleagues did not think it part of their task to offer judgment on the Press, and gave their reasons very clearly in paragraphs 13 and 14 of their Report. They only refer to the Press in, I think, about 50 of the Report's 276 paragraphs, where it was necessary to do so in order to carry out their task—that is, to sift the truth. It is true that there are certain criticisms, but they appear in the framework of the main narrative and in no case constitute a general criticism or attack upon the Press. However, this affair has, naturally, stimulated much discussion about the functions of the Press and its relation to public matters.

Before I pass to some general observations, the House will, perhaps, expect me to make a reference to the two newspapermen committed to prison for contempt of court. This is a much narrower issue and, of course, arises from the duties and powers given to the Tribunal under the 1921 Act. If, in these instances alone out of several others, the Tribunal felt that the questions to which it required a reply were essential links in the chain of events that it was its duty to examine, that is a case for the courts, and it was so treated. But, apart from that question, much wider issues have been raised upon which I would, rather hesitatingly, make some comment.

Newspapers, in their task of finding out the truth and publishing it, may have a feeling that in some cases Governments or their officials tend to push out the frontiers of what is called "secrets" too far, and there may be substance in this. I feel sure that none of us would wish the caution of security to be used to conceal incompetence. In war, there is a very careful and strong censorship of the Press, and that has always been preserved. In peace, in the past, this has normally not been necessary, but I am afraid we must face the

fact that in this unhappy twilight world in which we live in a state of truce—neither war nor peace—it is not always easy for the Government and their officers, or the Press, to know exactly where the lines should be drawn, and that the system can only work on the basis of mutual confidence.

Apart from these security matters, the Press has a right—and, I think it would say, a duty—to find out the truth, to publish it and comment on it as it thinks fit. That is its right, and I think that we all feel that the advantages of a free Press far outweigh any of its disadvantages. Naturally, like any right, this has a corresponding obligation.

As for men in public life—and here we are all in the same boat—I do not think that they must be too sensitive. They must expect, whether by the reporter's words or the cartoonist's pencil, to suffer some wounding blows. This is part of what we assume when we voluntarily enter upon public affairs. At the same time, we have the right to expect that while the Press should be informative, and may even be inquisitive, its curiosity should not amount to something like persecution. We may be wounded, but we should not be hounded.

Similarly, we on our side should recognise the circumstances in which the journalists and the Press labour—the editions that have to be brought out by night and day, the difficulties of avoiding all mistakes. So we must not ourselves be too sensitive. But what I think we have the right to complain of, and this matter has now been dealt with, is if statements are made as fact when they are only inference and have no foundation, and then, from them, deductions are drawn which I feel certain are realised, within a day or two of their being printed, by those responsible for them to have been fantastic.

Who could really believe, for instance, except when suffering from a fever of suspicion, that my noble Friend acted in the way he was supposed to have acted, that is, falsely and teacherously to his own office, to the Government of which he was a member, and to the Crown, or that his senior officials and officers were guilty of the charges made against them? And who, indeed, could have supposed the story about my hon. Friend the Mem-

[THE PRIME MINISTER.]

a whole. It has been said over and over again that the catching of spies is *prima facie* ground for saying that the security system is effective, but I do not think that it is right that Ministers and Parliament should always have to take that on trust.

Therefore, my right hon. Friend, before me, and now I myself, have been considering whether there are any improvements which can be made in the machinery of inquiries and any improvements which might bring increasing confidence to Parliament and to the country. As far as the precedents go, there have been *ad hoc* inquiries of various kinds over past years, and there have been a number of inquiries which have used the formidable procedures of the Tribunals of Inquiry (Evidence) Act, 1921. Since Lord Denning's Report, and in the light of it, there is probably now wide agreement that, in certain circumstances, nothing short of an inquiry under the 1921 Act will do. I think that that is certainly the conclusion on the recent debate in another place, the report of which hon. Members have probably read. But there is, equally, concern—all feel and share this concern—that, whenever a tribunal is set up, there is a danger that innocent reputations may be damaged.

It was, therefore, with these considerations in mind, and with the question in our minds as to how these matters which involve civil servants involved in a security case should be handled in Parliament, that my right hon. Friend a few months ago put before the House the idea that there might be a Standing Commission on Security. I have had time to think about this and I have had some conversations with the right hon. Gentleman the Leader of the Opposition. I must not anticipate his views, though what I shall say now I think can fairly be said to represent the gist of our private talks. I shall only outline the ideas to the House today, because I want to hear the debate and hear the contributions which hon. Members may make on this subject or, indeed, on any possible amendments of the 1921 Act. If we were to set up a Standing Security Commission, I think, first, that it should have a judicial chairman. Because it is concerned with the

conduct and the effectiveness of the Government services, I think that it would be well to put on it one or two retired civil servants and one or two officers of the Armed Services experienced in security matters. If such a Commission was established, the Prime Minister of the day would decide whether in any particular case it should be asked to inquire into a particular matter, but before taking that decision he would consult the Leader of the Opposition.

The question would then arise as to what kind of powers the Security Commission might have. I would expect that the Commission would normally carry out its duties on Government instructions but that, if in a particular case the Commission's inquiries were not able to be effective without powers to compel evidence, then it would be right for Parliament to confer on it for the purposes of that particular inquiry the powers under the 1921 Act, which can be done by Resolution. The Commission would submit the results of its inquiries and any proposals that it might wish to make for improved machinery consequent upon its inquiries to the Prime Minister, who again at that point would consult the Leader of the Opposition, although it must be reserved for the Government of the day to decide what action, if any, should be taken.

I think that these proposals have some merits, although I have deliberately put forward only the framework today, in view of this debate. In matters relating to breaches of security by a member of the Civil Service, there would be machinery ready at hand to deal with them. In matters relating to a breach of security threatening the State, these arrangements would at each stage be discussed between the Prime Minister and the Leader of the Opposition, thereby achieving something which I believe is of immense importance—an attempt, at any rate, to avoid these matters becoming matters of dispute between the parties in this House. A judicial chairman would give confidence that the inquiry was independent. The presence of senior officers, both from the Civil Service and from the Armed Forces with a knowledge of security would, I think, ensure that knowledge of these very complicated matters was available. The Commission

ANNEX B

would be advisory to the Prime Minister, so that in that way it would in no way supplant the courts, and it would preserve the ultimate responsibility in the hands of the Government of the day.

Mr. Sydney Silverman (Nelson and Colne): Would the Prime Minister say what standard of proof would be applied by such a Security Commission? The right hon. Gentleman will remember that this question gave Lord Denning considerable anxiety, whether the ordinary standard of proof which applies in a court of law should be applied, or whether the much lower standard of proof which is applied in inquiries into civil servants' conduct where security may be involved should be applied. The two things are vastly different.

The Prime Minister: I think this is an extremely difficult question. I should have thought that it would have to be left to the judicial chairman to advise in any particular case, and he would also have to advise the Prime Minister whether or not he wished the compulsory powers in the 1921 Act to be invoked.

As I have said, I have deliberately left a number of questions unanswered which will have to be much more closely considered, but in principle the House is in favour of setting up a Standing Security Commission, the Government in consultation with the Leader of the Opposition could proceed to the necessary action.

Lord Denning's Report deals with the past. I believe that in all parts of the House, and certainly in the country, there is a great relief that all the rumours are dead and that public life can continue to be run—this is the only way in which public life can be run—on a basis of trust between the members of a Government and, if I may put it in this way, on a basis of trust between Government and Opposition. I have tried to make proposals which will help, and I think that this is also the country's desire, to see these matters of the security of the State taken as far as possible out of party politics. I hope, therefore, that today we shall find a large measure of agreement and act as a House in these matters which, after all, concern the security of the whole nation.

4.7 p.m.

Mr. Harold Wilson (Huyton): I think that the House would agree that that was a somewhat strange speech from the Prime Minister. Considering that only a very short time ago such great interest was being expressed by the Government and by Ministers in the Denning Report, it is a little surprising that the right hon. Gentleman should dismiss it in so few sentences this afternoon.

I fully agree with the Prime Minister's tribute to Lord Denning, as we would all do, for his integrity, his thoroughness, his devotion to the task which was given him by the Government, and, not least—because everyone has noticed this—the Prime Minister paid tribute to it—for his superb gift of clarity in expressing his conclusions. But after the Prime Minister had paid that tribute to Lord Denning he then proceeded to try to demolish those parts of the Denning Report which were critical of the Government. So we have the situation that the Prime Minister is apparently prepared to accept the Report, apart from those parts which are critical.

After that, the Prime Minister went on to his proposals for a Security Commission, which I will come to in a few minutes, though I must say right away—I am sure the Prime Minister will agree—that what he has suggested here cannot be regarded as anything other than a long stop to deal with breakdowns in the system such as have occurred from time to time, and nothing that he has proposed this afternoon in any way derogates from the responsibility of the executive Government for adequately controlling the security services of this country.

It is true—to this extent I understand the feelings of the right hon. Gentleman—that, although it is only a few weeks since the Denning Report was published, in an atmosphere of salesmanship and ballyhoo such as never previously pervaded the environs of Her Majesty's Stationery Office, this debate now seems curiously remote from the events of last summer and last autumn. I am bound to say that it recalls to me the opening words of a chapter in a book which I hope we have all read called *1066 And All That*, about the early Stuarts. We were told that the first

DR. ERHARD (VISIT)

Q8. Mr. Stonehouse asked the Prime Minister if he will make a statement on his discussions with the Chancellor of the Federal Republic of Germany.

The Prime Minister: I would refer the hon. Member to the Answer which I gave the hon. Member for Ashfield (Mr. Warbey) on 21st January.

Mr. Stonehouse: Is not the Prime Minister aware that it is unsatisfactory that his discussions with Dr. Erhard on Britain's resumption of negotiations to go into the Common Market should remain confidential in view of the public speculation? Will the right hon. Gentleman say whether this was discussed with Dr. Erhard and what assurances he gave?

The Prime Minister: No, Sir. Conversations with Prime Ministers and Foreign Ministers of other countries are always confidential.

SECURITY COMMISSION

Mr. H. Wilson (by Private Notice) asked the Prime Minister whether he is in a position to make a further statement about the machinery for dealing with inquiries on security?

The Prime Minister (Sir Alec Douglas-Home): I apologise to the House for the fact that this is a rather long statement, but it is important.

In the debate on 16th December I described in outline the Government's proposals for a Standing Security Commission and proposed further consultation with the right hon. Gentleman the Leader of the Opposition.

The right hon. Gentleman and I have had further discussions about this and in the light of them the Government have decided to set up a Security Commission with the following terms of reference:

If so requested by the Prime Minister, to investigate and report upon the circumstances in which a breach of security is known to have occurred in the public service, and upon any related failure of departmental security arrangements or neglect of duty; and, in the light of any such investigation, to advise whether any change in security arrangements is necessary or desirable.

Mr. Justice Winn has agreed to serve as Chairman and the other members will be Lord Normanbrook and Sir Caspar John. The Cabinet Office would provide the Secretary of the Commission.

Before asking the Commission to investigate a particular case, the Prime Minister will consult with the Leader of the Opposition.

Under the terms of reference, the Commission could be called upon to act if there had been a breach of security even though there had been no conviction—perhaps because the individual had fled the country.

Normally, the Commission would sit in private and would examine the witnesses themselves.

Usually, it would be unnecessary for any of the witnesses to be legally represented. But it is impossible to foresee all the circumstances, and the Commission would be authorised to permit a witness to be accompanied by his legal adviser if satisfied that his interests required such protection.

Exceptionally, the Commission might find that they were unable to make progress without powers to compel evidence. In such a case, Parliament would be asked to pass the necessary Resolutions under the Tribunals of Inquiry (Evidence) Act, 1921, to vest the Commission with the powers of that Act for that particular inquiry. The Commission would then proceed in all respects as a Tribunal of Inquiry.

The decision whether to sit in private or in public would be governed by the relevant statutory provision, and the normal procedure for having the case presented by counsel and for allowing legal representation would apply. When legal representation was allowed the Commission would be asked to advise whether an *ex gratia* contribution to the cost of such representation should be made from public funds.

In the ordinary case the Commission would report direct to the Prime Minister. When the Commission had been constituted a Tribunal of Inquiry, the report would formally be submitted to the Home Secretary, as required by the 1921 Act. But in either case the Leader of the Opposition would be consulted by

1273
the Prime
received.
public to
sistent w

Mr. W
aware th
little long
convenient
give a fu
discussed

I have
tion. Sin
referred,
fully agre
statement
further a
witnesses
the truth
the Comr
1921 Act
given him
question—
both sides
ing of the

Will the
sider the
forward o
there sho
the House
1921 Act?

The Pa
believe th
concern.
in another
posal, bu
should be
tainly con
to give a
I will co
Gentleman

Mr. Co
Friend thi
ence the v
"a breach
occurred"
rather than
would cov
seem to b
his statem

The Pri
look furth
my hon. F
the wordi

Mr. Gri
make clea
the House
Vol. 687

the Prime Minister when the report was received. The report would be made public to the extent that this was consistent with security considerations.

Mr. Wilson: Is the Prime Minister aware that although his answer was a little long, it was undoubtedly for the convenience of the House that he should give a full statement on what has been discussed between us?

I have only one supplementary question. Since the right hon. Gentleman has referred, in circumstances with which I fully agree—and I agree with the whole statement—to the possibility that where further action is necessary to compel witnesses to come forward and to speak the truth it will be necessary to clothe the Commission with the powers of the 1921 Act, will he bear in mind—I have given him notice of this supplementary question—that there is grave concern on both sides of the House about the working of the 1921 Act?

Will the Prime Minister therefore consider the proposal, which we have put forward on a number of occasions, that there should be a Select Committee of the House to review the working of the 1921 Act?

The Prime Minister: Yes, Sir. I believe that there is a lot of anxiety and concern. I do not think that the debate in another place produced any new proposal, but nevertheless these matters should be considered; and I will certainly consider them. I should not like to give a firm undertaking today, but I will consider what the right hon. Gentleman has said.

Mr. Cole: Would not my right hon. Friend think that in the terms of reference the words

"a breach of security is believed to have occurred"

rather than "is known to have occurred" would cover a wider compass and would seem to be justified by the remainder of his statement?

The Prime Minister: I should like to look further at the statement and at what my hon. Friend has said, but I think that the wording covers every possibility.

Mr. Grimond: Can the Prime Minister make clear what will be the position of the House, the Press and the broadcast-

Vol. 687

ing authorities when a case is referred to the Commission? It will, presumably, be impossible to discuss it in the House or to ask Questions about it. Will it also be impossible for any comment to be made either on the air or through the Press?

The Prime Minister: I do not see why the statement which I have made should set any limitation on discussion in this House. I should, however, like to consider the point made by the right hon. Gentleman and give him a considered reply, although I do not see *prima facie* any reason why the statement imposes a limitation.

Mr. H. Wilson: I agree with what the Prime Minister has said. Is it not clear that a reference to the Commission, which will not be a judicial tribunal until it is clothed with powers given by this House, would have no effect on the freedom of this House, the Press or broadcasting authorities or anyone else? Could it not be made clear that this body is an administrative Commission and not a judicial tribunal?

Will the Prime Minister, however, consider the point, which bears on the question raised by the right hon. Member for Orkney and Shetland (Mr. Grimond)—it is a point which I have raised with the right hon. Gentleman—that it should be understood that whenever a reference is made to the Commission there will be an announcement of the fact even if it refers to a case which has not become public through prosecution or court proceedings?

The Prime Minister: Yes, Sir; there should be an announcement. There is nothing in what I have said today to curtail the rights of Parliament and the Press.

Mr. Bellenger: The Prime Minister will be aware of the circumstances of the Vassall case. If matters arise which are not entirely security matters which would be kept secret, will the House have access to any comments or reports by the Commission and be in a position to discuss them, if necessary?

The Prime Minister: I would rather that hon. Members read the statement which I have made. On another day we will return to any questions that may interest them. I should not like to

X 3

[THE PRIME MINISTER.]
pursue the matter with supplementary questions just at this moment.

Mr. Hale: What would happen if the Commission came to a conclusion at some stage of its inquiry that a criminal offence had been committed? Would it proceed to report or would it refer to the Director of Public Prosecutions the papers, including the voluntary evidence, or what will happen in these circumstances?

The Prime Minister: Again, I should like to consider the question and return to it later.

Mr. Wigg: In his further consideration of this excellent proposal, will the Prime Minister consider the advisability of drawing upon the experience of the board of inquiry set up under the Army and Naval Discipline Acts and give to the Commission in discharging its administrative functions power to take evidence on oath? This is quite apart from any powers for which the Commission might ask under the Tribunals of Inquiry (Evidence) Act.

The Prime Minister indicated assent.

MALAYSIA AND INDONESIA

Mr. Brockway (by Private Notice) asked the Secretary of State for Commonwealth Relations whether he will make a statement on the present negotiations between Malaysia and Indonesia for a cease-fire on the frontiers of Sarawak and Sabah and when British troops are expected to be withdrawn.

The Secretary of State for Commonwealth Relations and Secretary of State for the Colonies (Mr. Duncan Sandys): Through the mediation of Mr. Kennedy, the Presidents of Indonesia and the Philippines and the Prime Minister of Malaysia have agreed to hold a meeting to improve relations between their countries. This meeting will be preceded by a meeting at Foreign Minister level. In addition, there is to be a prior meeting between the Prime Minister of Malaysia and the President of the Philippines.

As a preliminary to these meetings, President Sukarno has issued a cease-fire order to all his forces. However, the

Indonesian Government have explained that it will take about a week for this order to reach those forces which are at present operating across the border in Malaysia.

Since the expression "cease-fire" has been used, it should be emphasised that the Malaysian and British forces have been engaged in a purely defensive rôle and have fired only to repel invaders. Therefore, in present circumstances the question of the withdrawal of British troops does not arise.

Her Majesty's Government warmly welcome the steps which have been announced and they trust that these will lead to the restoration of normal relations between Malaysia and her two neighbours.

Mr. Brockway: Is the right hon. Gentleman aware of the degree to which the House will welcome this announcement and of our appreciation of the great services which Mr. Robert Kennedy has carried out in arranging this preliminary settlement? Will the right hon. Gentleman say whether the Government will give the fullest support to the proposals, made by the three Ministers concerned, that the Manila conference should be resumed so that there may be a consideration of the development of a wider confederation for all these areas?

Mr. Sandys: I have said that we welcome the announcement that there is to be a meeting between the three heads of Government. I think that we must see how they get on.

Mr. B. Harrison: Will my right hon. Friend try to impress on Mr. Kennedy when he is here the need for a guarantee by the American Government of any agreement that is made that full support must be given by the American Government to Malaysia and that we will not have any apparent equivocation by the American Government backing up other countries in the area?

Mr. Sandys: I do not want to anticipate the talks that we are to have with Mr. Kennedy.

Mr. H. Wilson: Is the right hon. Gentleman aware that we all welcome the announcement that has been made? Is he further aware that we welcome the fact that he has made it clear—some announcements have not made

Security

~~FGS.~~

12th October 1982

Edward du Cann - Security Commission

Edward du Cann telephoned me this morning.

It would be helpful if we could send to him the documents to which the Prime Minister referred in her letter to him, as soon as possible.

IAN GOW

Sir Robert Armstrong KCB CVO

CONFIDENTIAL



Security
26 AA

10 DOWNING STREET

From the Principal Private Secretary

SIR ROBERT ARMSTRONG

The Prime Minister has seen your minute of 16 September (A09502) about the letter which she sent to Mr Du Cann about the status of the Security Commission.

The Prime Minister has commented that, in view of the point that the Security Commission was contained in a list provided by the Government of bodies sponsored by the CSD, the letter to Mr Du Cann needs revising so as to forestall comments from members of the Treasury and Civil Service Committee that the Government appears to have changed its view.

The Prime Minister has suggested that you and she might have a word about this: perhaps it would be convenient to do so after the business meeting tomorrow.

F.R.B.

30 September 1982

CONFIDENTIAL

AA



10 DOWNING STREET

Prime Minister

I have suggested to
Sir Robert Armstrong that he
might have a word with you
about this at the end of
tomorrow's business meeting.

FERS

30.9.

Ref. A09502

MR RICKETT

*In view of the
 fact (which clearly is
 a fact - but which was
 did not check) Prime Minister
 (my view should
 review is Agree X and Y?
 M/S 27/9
 No
 doubt
 no*

In your minute of 1st September to Mr Hatfield you said that Mr du Cann had seen Mr Ian Gow to express his disagreement over the line taken in the Prime Minister's letter to him of 10th August that the Security Commission is not an "associated public body of any Government Department, of a kind which would come within the [Treasury and Civil Service] Committee's remit". Mr Gow has suggested that because of this contention the Prime Minister should withdraw her letter, and that Lord Bridge should reply to Mr du Cann's original request making no mention of whether or not the Commission can be so regarded.

2. Mr du Cann has pointed out that the Security Commission is included in the Treasury and Civil Service Committee's own list of its "associated public bodies". The Assistant Clerk to the Committee wrote to the Secretary of the Commission in 1980 asking for factual information about the Security Commission (and about the Three Advisers); the Secretary (a Principal in the Civil Service Department) complied with that request.

3. It remains my view that the Security Commission is not an appropriate body for investigation by the Treasury and Civil Service Committee, and I think that the Civil Service Department should have taken this point when the Assistant Clerk to the Committee made his inquiries in 1980. The Commission is attached to the MPO (formerly CSD) purely for 'pay and rations' purposes; it is answerable to the Prime Minister as such, not in her capacity as Minister for the Civil Service. It is purely advisory, and has no executive functions. It does not sit continuously, but is activated only for specific inquiries remitted to it by the Prime Minister. But above all the security nature of its activities makes it inappropriate for it to be the subject of Select Committee scrutiny. Lord Bridge, the Chairman, has made clear to me his own view that it would be inappropriate for the Commission to be scrutinised by the Committee, and that he would be extremely reluctant to respond to Mr du Cann's letter, for fear that by doing so he would be admitting that such scrutiny was appropriate and acceptable.



4. I think it possible that Mr du Cann's approach to Lord Bridge may be intended to buttress ideas which he is reported to be harbouring for a Select Committee (to consist entirely of Privy Counsellors) to deal with security matters.

5. All things considered, therefore, I hope that the Prime Minister will not withdraw her earlier letter to Mr du Cann, and that we need not pursue the idea of asking Lord Bridge to send a letter.

6. If this is agreed, the question is how best to handle Mr du Cann. It would clearly be sterile to get into an argument with him about the definition of an "associated public body"; the heart of the matter is that the security nature of the Commission's activities makes it inappropriate for it to be the subject of Select Committee scrutiny. Perhaps the best course would be for Mr Gow to see Mr du Cann again, and say that, while it remains the Prime Minister's view that the Security Commission is not an associated public body of the kind which should come within the Committee's remit, this is perhaps something on which she and Mr du Cann can agree to differ, because the fact of the matter is that the security nature of the Commission's activities would preclude any kind of scrutiny. She acknowledges, however, that the terms of reference and composition of the Commission are matters of Ministerial responsibility, and the Joint Head of the Civil Service will shortly be sending the Clerk to the Committee a memorandum covering those matters and dealing also with the provision of the Secretariat and a list of the cases on which it has advised successive Governments. (The memorandum could probably in fact be ready in time for Mr Gow to hand it over when he sees Mr du Cann).

REA

ROBERT ARMSTRONG

16th September 1982

CONFIDENTIAL



10 DOWNING STREET

From the Private Secretary

MR. HATFIELD
CABINET OFFICE

Security Commission

You will remember that early in August Mr. du Cann wrote to Lord Bridge asserting that the Security Commission was one of the "associated public bodies" on which the Treasury and Civil Service Select Committee is expected to keep an eye, and inviting Lord Bridge to submit a short paper about the Commission. Sir Robert Armstrong advised (his minute, reference A09269) that the Prime Minister should write to Mr. du Cann making it clear to him that she did not regard it as appropriate for him to enquire about the Security Commission, or as appropriate for Lord Bridge to respond to his request, but that she had asked Sir Robert to let him have a factual memorandum on the Commission.

The Prime Minister accepted this advice and wrote to Mr. du Cann as suggested.

I now enclose a note from Ian Gow, in which he explains that Mr. du Cann, and the Clerk of his Select Committee, both question the Prime Minister's contention that the Security Commission is not "an associated public body". Mr. Gow suggests that the Prime Minister should withdraw her letter to Mr. du Cann, and that Lord Bridge should be asked to reply instead, simply saying that he has asked Sir Robert to send Mr. du Cann a memorandum on the Commission.

The Prime Minister would welcome Sir Robert's advice on Ian Gow's suggestions. It would be helpful if this could reach her by 9 September.

W. F. S. RICKETT

1 September 1982

CONFIDENTIAL

Top copy destroyed

Prime Minister

BOX

Security

I will put this to Sir Robert Armstrong for his advice.

Anderson ^{was} _{3/18}

WILLIE RICKETT

Mr Edward du Cann - Treasury and Civil Service Committee

1. I have mentioned to you, already, that Edward du Cann came to see me this morning.
2. He has discussed with the Clerk to his Select Committee, the Prime Minister's letter to him dated 11th August, which Edward returned to me today.
3. Herewith copy Memorandum dated 17th August 1982 from the Clerk to Mr du Cann, together with copies of the four documents annexed to that Memorandum.
4. I remind you that this Select Committee includes Mr Michael Meacher, Dr Jeremy Bray and Mr Michael English.
5. The Security Commission may well not be an "associated public body". However, the point is clearly arguable, and both Mr du Cann and the Clerk are in disagreement with the view expressed by the Prime Minister (on Sir Robert Armstrong's advice) in her letter to Mr du Cann dated 11th August.
6. Subject to the views of the Prime Minister and ~~of~~ those of Sir Robert Armstrong, I think that it would be better, at this stage, to send rather a different letter to Mr du Cann, to the one which he had sent to Lord Bridge.

IN REPLY

Indeed, I think it best that Lord Bridge himself should reply to the letter from Mr du Cann, saying that he has asked Sir Robert Armstrong to send to Mr du Cann "a short factual Memorandum on the composition and terms of reference of the Commission".

/Continued

That would leave the Prime Minister out of the matter at this stage (keeping her in reserve for later on if necessary); would avoid the controversial issue as to whether the Security Commission is or is not an "associated public body" (though still reserving our right to argue the point later on if necessary); and could satisfy both the Chairman and the members of the Select Committee.

Ian Gow

31st August 1982

cc ~~Prime~~ Minister

Robin Butler



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

TREASURY AND CIVIL SERVICE COMMITTEE

Mr. du Cann

Prime Minister's Letter about the Security Commission

I don't think the Prime Minister has written this letter on the basis of very good advice.

You will see from the attached correspondence from 1980 and 1981 that the Civil Service ^{Department} appeared to accept when approached by the Committee that the Security Commission was an "associated public body". Certainly that was the basis of the Committee's original enquiry and no attempt was made to challenge it. Indeed, the second letter bringing the information up to date came from the Secretary of the Commission himself. Even more important, the Commission is listed on page 7 of the Government's own "Facts and Figures" paper of 1980 as a body sponsored by the C.S.D. (See page 7 of the enclosed document).

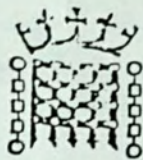
So we were on good ground in classifying the Commission as an associated public body of one of "our" Departments. Following the Government's own line, we had listed it on our own list circulated to the Committee in June 1980 (copy attached).

It may be that the Prime Minister is implicitly admitting all this, because you will notice that all she says is that the Commission is not an associated public body "of a kind which could come within the Committee's remit. If this is so, however, it was wrong of the C.S.D. and the Commission to accept enquiries from us in the past. The fact that they did will give Mr. English and others ammunition in support of their argument that our recent request was perfectly in order and should be answered by the Commission.

It just could be that the abolition of the C.S.D. brought with it a change in the Commission's status. But no public statement was made to that effect, nor were the Committee notified of any change. It therefore seemed entirely logical for you to write a letter to the Chairman of the Commission, Lord Bridge - in which, incidentally, you asked for no more than a paper setting out "the remit of the Commission, its staffing and the administrative arrangements used to enable it to carry out its work".

Having written all that, I cannot myself see any great objection to our accepting a paper from Sir Robert Armstrong. But I would expect the constitutional theorists among our Members to be slightly shocked by such advice.

I hope this will enable you to compose a suitable letter in reply to Mrs. Thatcher.



COMMITTEE OFFICE
HOUSE OF COMMONS
LONDON SW1A 0AA
01-219 5766 (Direct Line)
01-219 3000 (Switchboard)

TREASURY AND CIVIL SERVICE COMMITTEE

28th March 1980

Dear James,

The Treasury and Civil Service Committee was set up on 25th June 1979 to examine the expenditure, administration and policy of the Treasury, Civil Service Department, Inland Revenue and Customs and Excise and their "associated public bodies". The Security Commission and the Three Advisers are thus within the terms of reference of the Committee and I am writing to draw your attention to the Committee's interest in the Commission's and the Three Advisers' work.

The Committee would like to be put on the circulation list for any significant publications or announcements by the Commission or the Advisers. They have also asked for a brief (one side of a sheet of paper) description of how the Commission and the Three Advisers are organised and funded, and what their function is.

If I can be of any help by way of further explanation, please do not hesitate to get in touch.

Yours sincerely,

Crispin Poyser

C. J. Poyser
Assistant Clerk to the Committee

Mr. P. A. James,
Civil Service Department,
Room SG/90A,
Old Admiralty Building,
Whitehall,
London, SW1A 2AZ.

AMD



Civil Service Department
Whitehall London SW1A 2AZ

Telephone (Direct dialling) 01-273 5721
(Switchboard) 01-273 3000

C J Poyser Esq
Assistant Clerk, Treasury and
Civil Service Committee
Committee Office
House of Commons
LONDON SW1A 0AA

Your reference

Our reference

Date

18 April 1980

Dear Poyser,

SECURITY COMMISSION AND THE THREE ADVISERS

Thank you for your letter of 28 March 1980.

As requested I attach brief notes on the work of the Security Commission and the Three Advisers both of which are purely advisory bodies.

You will gather from the terms of reference that neither the Security Commission or the Three Advisers is a standing body; they meet only when required and neither body has met for some years. The question of funding in the normal sense does not therefore apply but you may like to know that, where appropriate, fees and incidental expenses are paid for by this Department.

||| There is no circulation list for publications or announcements but I will, of course, keep you informed of any significant developments.

| I hope this information is of help; please contact me if there is anything else you wish to know.

Yours Sincerely
Paul Andrew James

P A James
Personnel Management 5



Civil Service Department
Whitehall London SW1A 2AZ

Telephone (Direct Dialling) 01-273 5721
(Switchboard) 01-273 3000

C J Poyser Esq
Assistant Clerk
Treasury and Civil Service
Committee
Committee Office
House of Commons
LONDON SW1A 0AA

Your reference

Our reference

Date

5 January 1981

Dear Poyser

SECURITY COMMISSION AND THE THREE ADVISERS

I promised, in my letter of 18 April last year, that I would keep you informed of any developments.

In case you had not noticed in the Christmas rush I am writing now to let you know that, following the resignation of Sir Derek Rayner, the Prime Minister has appointed Sir Alan Cottrell, Master of Jesus College, Cambridge, as a member of the Security Commission, with effect from 1 January. In fulfilment of my promise, too, I should also draw your attention to a Parliamentary Question by the Leader of the Opposition which was answered on 18 December by the Prime Minister (copy attached). Clearly, there is nothing I can add at this stage.

May I take this opportunity to wish you a happy New Year.

Yours Sincerely Paul Andrew James

P A James
Secretary, Security Commission

ENC



COMMITTEE OFFICE
HOUSE OF COMMONS
LONDON SW1A 0AA
01-219 5766 (Direct Line)
01-219 3000 (Switchboard)

TREASURY AND CIVIL SERVICE COMMITTEE

List of Associated Public Bodies

1. Bodies within the Chancellor's responsibility

Bank of England
National Debt Office/Public Works Loan Board
(these two bodies are in the process of being merged)
Royal Mint
Department for National Savings
Registry of Friendly Societies
Treasury Solicitor's Office
Exchequer Office, Scotland
Office of the Lord Lyon

2. H.M. Treasury advisory bodies

National Economic Development Office
Advisory Panel (s.482, Income and Corporation Taxes Act 1970)
Committee to Review the Functioning of the Financial Institutions*
Property Advisory Panel*
Review Board for Government Contracts
Royal Mint Advisory Committee
Advisory Panel on Treasure Trove in Scotland (see Exchequer Office)
Treasure Trove Reviewing Committee

3. H.M. Treasury executive body

Chequers Trust

4. Inland Revenue tribunals

Board of Referees*
The 488 General Commissioners of Income Tax
S. 463 (Income & Corporation Taxes Act 1970) tribunal

5. H.M. Customs & Excise tribunals

The VAT tribunals (convened ad hoc as required)

*These bodies are being wound up.

6. Bodies for which Civil Service Ministers are responsible

H.M.S.O.
Central Office of Information
Government Actuary's Department
Government Hospitality Fund

7. Civil Service Department advisory bodies

Advisory Committee on Business Appointments
Civil Service Appeal Board
Civil Service College Advisory Council
Civil Service Medical Appeal Board
Civil Service Medical Review Board
Civil Service Pay Research Unit Board
Government Hospitality Advisory Committee for the
purchase of wine

Review Body on Armed Forces Pay
Review Body on Doctors' and Dentists' Remuneration
Review Body on Top Salaries
Security Commission
The Three Advisers
Advisory Committee on Advertising (advises the C.O.I.)

8. Cabinet Office advisory bodies

(The Cabinet Office includes the Central Policy Review
Staff and the Central Statistical Office)

Advisory Council for Applied Research and Development
Women's National Commission

4th February 1980

C. J. Poyser
Assistant Clerk

FILE

hr



c CO

Security

10 DOWNING STREET

THE PRIME MINISTER

11 August 1982

Dear Edward,

Lord Bridge tells me that, as Chairman of the Treasury and Civil Service Committee, you have written to him to say that the Security Commission is one of the "associated public bodies" on which the Committee is expected to keep an eye, and to ask him to submit a short paper on the remit and working arrangements of the Commission.

The Security Commission is not an "associated public body" of any Government Department, of a kind which would come within the Committee's remit. Although its members are appointed by the Prime Minister and its reports are submitted to the Prime Minister, it is an independent advisory body and Ministers are not answerable for its work or its findings (though they are of course answerable for the decisions taken by the Government as a consequence of those findings).

Given the nature of the Commission's responsibilities and the matters referred to above, I feel sure you will understand why it would not be appropriate for Lord Bridge to respond to your request.

I am, however, asking the Joint Head of the Civil Service, Sir Robert Armstrong, to let you have a short factual memorandum on the composition and terms of reference of the Commission.

Lawson
Mayant

The Rt. Hon. Edward du Cann, M.P.

da



10 DOWNING STREET

Prime Minister

3

This letter to Mr Du Cane has
been revised as you wished. If
you sign it, we will despatch
it if Lord Bridge is content with
the line taken.

WM

w/s



*gn/m
cument.*

10 DOWNING STREET

THE PRIME MINISTER

Lord Bridge tells me that, as Chairman of the Treasury and Civil Service Committee, you have written to him to say that the Security Commission is one of the "associated public bodies" on which the Committee is expected to keep an eye, and to ask him to submit a short paper on the remit and working arrangements of the Commission.

The Security Commission is not an "associated public body" of any Government Department, of a kind which would come within the Committee's remit. Although its members are appointed by the Prime Minister and its reports are submitted to the Prime Minister, it is an independent advisory body and Ministers are not answerable for its work or its findings (though they are of course answerable for the decisions taken by the Government as a consequence of those findings).

and the matter referred to above

~~Given this and the nature of the Commission's responsibilities, I do not think that it would be appropriate for Lord Bridge to respond to your request.~~

feel sure you would not want to pursue your request for Lord Bridge. will understand why it would not be appropriate.

I am, however, asking the Joint Head of the Civil Service, Sir Robert Armstrong, to let you have a short factual memorandum on the composition and terms of reference of the Commission.

for Lord Bridge to respond to your request.

The Rt. Hon. Edward du Cann, M.P.

Ref. A09269

PRIME MINISTER



Yes - should
charge in
drafting

If you agree with this, the letter to ~~Lord Bridge~~ Mr du Cann is attached for your signature. We will despatch it if Lord Bridge is content.

Security Commission

W
2/8

Lord Bridge, the Chairman of the Security Commission, has received a letter from Mr Edward du Cann, Chairman of the Treasury and Civil Service Committee, in which Mr du Cann asserts that the Security Commission is one of the "associated public bodies" on which the Treasury and Civil Service Committee is expected to keep an eye, and invites Lord Bridge to submit a short paper, setting out the remit of the Commission, its staff and the administrative arrangements used to enable it to carry out its work.

2. Lord Bridge has asked to come and see me about this letter within the next couple of days. He says that it had never occurred to him that the Security Commission could be regarded as an "associated public body" of any Department, still less as one on which any select committee had authority "to keep an eye". He wonders whether the letter in reply to Mr du Cann should come from him or me - or perhaps someone else. He says that he would be reluctant to give the appearance of accepting, even by implication, that he was in any way answerable to the select committee in relation to the affairs of the Security Commission.

3. Standing Order 86A lays down that select committees thereby appointed are entitled to examine the expenditure, administration and policy of the principal Government Departments, and also of their "associated public bodies". Standing Orders do not define "associated public bodies"; but I attach a copy of paragraph 5 of the Memorandum of Guidance for Officials, which includes a quotation from what the then Chancellor of the Duchy of Lancaster said about this in a speech on 25 June 1979.

4. It seems to me that we should resist this attempt by the Treasury and Civil Service Committee to inquire into the workings of the Security Commission. I suggest that we should do so on the basis of two reasons:



- (i) It is not an "associated public body" of any Department, for whose activities and findings Ministers are in ^{any} no sense answerable. It is an independent advisory body reporting to you.
- (ii) The nature of its activities makes it inappropriate for it to be the subject of select committee scrutiny.

5. If you agree with this, I am minded to propose that you should write to Mr du Cann, to make it clear to him that you do not regard it as appropriate for him to inquire about the Security Commission or appropriate for Lord Bridge to respond to his request.

6. I suggest, however, that we should not return a completely blank answer to Mr du Cann's request but that I should prepare a memorandum setting out the matters for which there is Ministerial responsibility; that is to say the position and terms of reference of the Security Commission and the provision of a Secretary.

--- 7. I attach herewith a draft of a letter which you might send to Mr du Cann on that basis.

8. If you are in general content with the line proposed, I should like to discuss the matter accordingly with Lord Bridge tomorrow or the day after; I would then advise further as to whether he was content for the matter to be handled in this way.

RA

ROBERT ARMSTRONG

5. The general terms of reference of these Committees are as set out in Standing Orders No. 86A, 86B and 86C (Appendix A of this Memorandum). The Committees are entitled to examine the expenditure, administration and policy of the principal Government Departments, and also of their "associated public bodies". The terms of the Standing Orders do not define "associated public bodies" but the Chancellor of the Duchy of Lancaster said in his speech on 25 June 1979 that:

"The Government also accept the Procedure Committee's view that the Committees must be able to look at the activities of some public bodies that exercise authority of their own and over which Ministers do not have the same direct authority as they have over their own Departments. The test in every case will be whether there is a significant degree of ministerial responsibility for the body concerned".

Associated public bodies therefore include all nationalised industries, fringe bodies and other Governmental organisations within the responsibilities of the Department or Departments concerned for which Ministers are ultimately answerable. They do not, however, include bodies for which Ministers are not answerable to Parliament, even though these bodies may be in receipt of Government funds. There will no doubt be borderline cases, but in general the existing principles of Parliamentary accountability can be applied.



Tyne for thoughts
box pl.

DRAFT LETTER FROM THE PRIME MINISTER TO
The Rt Hon Edward du Cann MP

Lord Bridge tells me that, as Chairman of the Treasury and Civil Service Committee, you have written to him to say that the Security Commission is one of the "associated public bodies" on which the Committee is expected to keep an eye, and to ask him to submit a short paper on the remit and working arrangements of the Commission.

The Security Commission is not an "associated public body" of any Government Department, of a kind which would come within the Committee's remit. Although its members are appointed by the Prime Minister and its reports are submitted to the Prime Minister, it is an independent advisory body and Ministers are not answerable for its work or its findings (though they are of course answerable for the decisions taken by the Government as a consequence of those findings).

Given this and the nature of the Commission's responsibilities, I do not think that it would be appropriate for Lord Bridge to respond to your request.

I am, however, asking the Joint Head of the Civil Service, Sir Robert Armstrong, to let you have a short factual memorandum on the composition and terms of reference of the Commission.



MANAGEMENT AND PERSONNEL OFFICE

WHITEHALL LONDON SW1A 2AZ

Telephone Direct line 01-273 - 5721

GTN 273

Switchboard 01-273 3000

M. Pattison Esq.
No. 10 Downing St.

18 May 1982

Dear ~~MICRE~~, *MA*

SECURITY COMMISSION REPORT

As arranged with Teresa Rolleston, I enclose 7 advance copies of the White Paper on the Security Commission Report. This includes the four copies to be laid in the House, which our Parliamentary Clerk will collect from the Prime Minister's room in the House on Thursday afternoon, & the copy the Prime Minister has agreed to send to the leader of the Opposition tomorrow. The copies required by your Press Office will, as agreed, be delivered to Mike Faule's around noon on Thursday. Although no formal Final Confidential Revises have been produced, all advance copies should, of course, be treated as confidential until publication at 3.30pm on Thursday.

Yours sincerely

Sally Sutton
CRS Division

CONFIDENTIAL

File

Secretary
cc. Am't's.

*Security
Cat 2*

19 May 1982

The Prime Minister undertook to let Mr. Foot have, on Privy Counsellor terms, an advance copy of the statement about the Security Commission Report which is to be published at 3.30 p.m. tomorrow in a Command Paper.

I now enclose the document, together with advance copies of the Press Release about changes in the membership of the Security Commission and the Answer which the Prime Minister will give to Mr. John Peyton this afternoon announcing publication of the Paper.

I. W. F. S. RICKETT

Sir Tom McCaffrey

CONFIDENTIAL

CONFIDENTIAL



HOUSE OF COMMONS
LONDON SW1A 0AA

From:
Michael Foot MP

18 May 1982

Dear Margaret

Thank you for your letter.
I am sorry that you are
unwilling to make an oral
statement about the Security
Commission report. I think
it would have been better to
have followed the normal
practice. If you intend to
go ahead with a written reply,
I shall quite understand if
you invite a Privy Councillor
to put down the Question.

M. Foot

The Rt Hon Margaret Thatcher MP

CC CO

BK

9 min to message
at 1310.

Security



10 DOWNING STREET

THE PRIME MINISTER

18 May 1982

Dear Michael,

Thank you for your reply to my letter of 14 May, about the publication of a statement on the Security Commission's Review of security procedures and practices in the public service, and the announcement of the resignation of Lord Diplock and the appointment of Lord Bridge and Lord Justice Griffiths.

I understand your preference for an oral statement in advance of publication of the White Paper, and I have given further thought to this today. I have, however, concluded that I should not make an oral statement tomorrow, but that I should save my comments on the subject for any later debate.

I am reluctant to disturb the convention of cooperation between the front benches on these matters. I am therefore sorry not to be able to fall in with your preferences. I should still very much like to be able to announce the forthcoming White Paper in a written reply to you, but if you feel unable to table the Question, I shall then invite a Privy Counsellor from the Government side to do so. As the White Paper has now been printed for publication on Thursday, it is essential to have a Question tabled tonight for ordinary written reply tomorrow. I should be most grateful if you could arrange for your office to let mine know by 6 pm tonight

/ whether or not

He

CONFIDENTIAL

- 2 -

whether or not you will be tabling the Question suggested in my last letter.

Y
Yours sincerely
Raymond Webster

The Rt. Hon. Michael Foot, M.P.

CONFIDENTIAL

CONFIDENTIAL



HOUSE OF COMMONS
LONDON SW1A 0AA

From:
Michael Foot MP

18 May 1982

Dear Margaret,

Thank you for your letter about the publication of the Security Commission's Review of security procedures and practices in the public service and your proposal to announce the resignation of Lord Diplock and the appointments of Lord Bridges and Lord Justice Griffiths.

I can understand your reluctance to make an oral statement in advance of publication of the White Paper. However, life must go on. There is a great deal of interest on our side of the House in this review and I believe that to announce its publication by Written Answer might suggest that the Government and the Opposition, particularly if I am to put down the Question, did not regard it as important.

I should be grateful, therefore, if you would agree to follow the usual practice and make a brief oral statement in advance of publication.

Michael

The Rt Hon Margaret Thatcher MP

CONFIDENTIAL



vb
c. CO
WFO
CWO
Ho
FIO

10 DOWNING STREET

THE PRIME MINISTER

14 May 1982

I wrote to you on 2 April, about arrangements for reporting to Parliament the outcome of the Security Commission's Review of security procedures and practices in the public service, which I announced to the House on 26 March 1981.

As you know, I decided to delay the timetable which had been set out in my letter, because of Parliament's justified preoccupation with the Falkland Islands in recent weeks.

I should now like to proceed on these matters without too much further delay, so that new appointments on the Commission can take effect. I am, however, reluctant to take up the time of Parliament in present circumstances by making an oral statement in advance of publication of the planned White Paper.

In these circumstances, I have it in mind to publish the White Paper on Thursday 20 May, and to announce this by written answer the previous day. If the question of a debate were to be raised with the Lord President of the Council on 20 May, I hope he would be able to indicate his intention to find time in due course.

If you were ready to table a question for answer on 19 May on the lines of the enclosed draft, I should be happy to announce publication of the White Paper in reply.

CONFIDENTIAL

/ It would be

CONFIDENTIAL

- 2 -

It would be my intention to issue a press statement announcing the resignation of Lord Diplock, and the consequential appointments of Lord Bridges and Lord Justice Griffiths, on 20 May. I would also forward to you, on Privy Counsellor terms, an advance copy of the White Paper on 19 May.

(SGD) MARGARET THATCHER

The Rt. Hon. Michael Foot, M.P.

CONFIDENTIAL

DRAFT QUESTION

To ask the Prime Minister whether she can yet make a statement about the recent report by the Security Commission into security procedures and practices in the public service; and whether the Commission's report will be published.



From the Secretary of the Cabinet

Mr. Pattison.

Security Commission.

I attach below a somewhat revised version of the draft letter to Mr. Michael Foot. This has been approved by the Secretary of the Cabinet.

J. H. [Signature]

13/5

DRAFT LETTER FROM THE PRIME MINISTER TO THE LEADER OF THE
OPPOSITION

I wrote to you on 2nd April, about arrangements for reporting to Parliament the outcome of the Security Commission's Review of security procedures and practices in the public service, which I announced to the House on 26th March, 1981.

As you know, I decided to delay the timetable which had been set out in my letter, because of Parliament's justified preoccupation with the Falkland Islands in recent weeks.

I should now like to proceed on these matters without too much further delay, so that new appointments on the Commission can take effect. I am, however, reluctant to take up the time of Parliament in present circumstances by making an oral statement in advance of publication of the planned White Paper.

In these circumstances, I have it in mind to publish the White Paper on Thursday, 20th May, and to announce this by written answer the previous day. If the question of a debate ^{were to be} was raised with the Lord President of the Council on 20th May, I hope he would be able to indicate his intention to find time in due course.

If you were ready to table a question for answer on 19th
- May on the lines of the enclosed draft, I should be happy to announce publication of the White Paper in reply.

CONFIDENTIAL

It would be my intention to issue a press statement announcing the resignation of Lord Diplock, and the consequential appointments of Lord Bridges and Lord Justice Griffiths, on 20th May. I would also forward to you, on Privy Counsellor terms, an advance copy of the White Paper on 19th May.

CONFIDENTIAL



Ref. A08384

MR WHITMORE *MJD*Report of the Security Commission

With my minute of 26th March to the Prime Minister, I submitted a draft oral statement for her to make on the Security Commission report together with a written statement to be published a day after the oral statement as a White Paper. It was intended that the statements should be made on 6th and 7th April, but they were postponed on account of the Falklands crisis. I now understand that the Prime Minister would like to go ahead with the statements next week, with the shorter statement issued as a Written Answer to an arranged Parliamentary Question.

- 2. I attach a draft Question and Written Answer. The Written Answer follows very closely the original oral statement which was prepared and cleared with both Lord Diplock and No 10. The only addition is the sentence at the end of paragraph 2 about copies of the statement being available in the Vote Office. This replaces the sentence in the draft oral statement about it being published as a Command Paper.

3. When the original oral statement was circulated, the only Minister to comment on the text was the Chancellor of the Exchequer. His Private Secretary's letter of 1st April to you recorded that the Chancellor thought the first sentence of paragraph 4 of the statement, "The report is generally reassuring", might be seen as provocatively bland. The phrase is in fact taken from paragraph 9 of the Commission's Report ("The general impression with which we are left as a result of our review of security procedures and practices is one of reassurance"). I think therefore that it could and should be allowed to stand. But, if the Prime Minister prefers, the phrase could be omitted.

4. The White Paper containing the long written statement now has to be re-printed, since in its present form it refers to publication in April and not May. This



will take six or seven days, which should enable the statement to be made by written answer next week. I should be grateful if you could let me know what day is selected so that the necessary arrangements can be made. We will also have to inform Lord Diplock and his colleagues in advance of the publication day. You will yourself wish to arrange for the Prime Minister to write to the Leader of the Opposition to advise him of the new date. I will let you have a draft letter for this purpose. You will also wish to make arrangements for the No 10 Press Office to announce the changes in the membership of the Security Commission on the day on which the White Paper is published.

5. The written statement and White Paper may in due course provoke questions to the Prime Minister. We have already supplied draft supplementaries which may be useful in preparing for such questions. These will be reconsidered and if necessary revised in the light of reactions to the statement and White Paper.

ROBERT ARMSTRONG

12th May 1982

DRAFT QUESTION

To ask the Prime Minister whether she can yet make a statement about the recent report by the Security Commission into security procedures and practices in the public service; and whether the Commission's report will be published.

DRAFT ANSWER:

THE PRIME MINISTER

In my statement to the House on 26 March I announced that, after consultation with the Rt Hon Gentleman, the Leader of the Opposition, I had asked the Security Commission to conduct a review of security procedures and practices in the public service and to consider what changes, if any, were required.

The Commission has completed its task and submitted its report. I am most grateful to Lord Diplock and his colleagues, Lord Bridge of Harwich and Lord Allen of Abbeydale, for their thorough and painstaking work. After careful consideration, I have concluded, albeit with some regret, that it would not be in the national interest to publish this report since substantial portions of it concern the most sensitive aspects of security procedures. By the same token an expurgated version of the report would give a misleading impression of it. I therefore propose to make as full a statement as possible and which is consistent with national security, about the Commission's findings. I am authorised to say that Lord Diplock and his colleagues are content with this course, and they believe it to be the right course to follow in the circumstances. Copies of the Statement will be available in the Vote Office tomorrow.

This is the first comprehensive review of security procedures which has taken place since the Report of the Committee on Security Procedures in the Public Service, known as the Radcliffe Report, was published in April 1962. Like Radcliffe, the Commission has taken "security" in their terms of reference to mean the safeguarding of such information in the possession of the Government as would by its unauthorised disclosure cause injury to the interests of the country. Their report does not cover the protection of government buildings or their contents or vital installations against sabotage or terrorist attack, although it does cover physical precautions for denying access to classified information by unauthorised persons.

The Report is generally reassuring. Subject to the Commission's views about the need for an urgent evaluation of the risks involved in electronic information processing and the means of countering them, Lord Diplock and his colleagues conclude that the security procedures,

they have been applied since Radcliffe and considerably modified and updated since, have worked well and can be relied upon to prevent infiltration of any of those bodies dealing with particularly sensitive security issues of the kind which took place in the 1930s and 1940s. Nevertheless they make a number of recommendations which the Government accepts (subject in a few instances to further necessary inquiries) and will implement as soon as possible.

1 .
I think that we should try to dispose
of this matter soon: it has been hanging
around for some time now.
JW
D.V.P.L.

PRIME MINISTER (through/caw)

STATEMENT ON THE SECURITY COMMISSION REPORT

You planned to make an oral statement, announcing the publication a day later of the White Paper summarising the report. The changes in the composition of the Commission were to be announced at the same time. After we forewarned Michael Foot of the plans, the process was postponed because of the Falklands crisis.

As you asked, we have now taken soundings of the Opposition about converting your statement to a written answer. Mr. Foot's office now say that he and his Front Bench colleagues have no objection to this procedure for themselves. But they are very much aware of continuing interest on the backbenches in the subject. This is demonstrated by, for instance, the consistent questioning of the Home Secretary on it. The Opposition Front Bench therefore advise you against the written answer procedure, on the grounds that backbenchers might regard this as a convenient arrangement between Front Benches to minimise questioning. This advice is offered in the knowledge that you will expect the White Paper to be debated in due course.

If we revert to the oral statement idea, we ought to hold it up for at least a couple more weeks. That means further delaying Lord Diplock's retirement, which is the main reason for getting the matter out of the way quickly.

Alternatively, you may think it worth going ahead through a written answer, despite Mr. Foot's advice. The subject has been hanging around now for some weeks. There is no particular reason to think that the time will be more suitable for an oral statement in the near future. Once the White Paper is out, we can then choose a realistic time for a debate. If you were to give a written answer on, say, Wednesday this week, the White Paper could be published at 3.30 on Thursday, and Mr. Biffen could make it clear during Business Questions that day that the Government would find debating time.

Yes
ms
Would you like to go ahead with a written answer, despite Mr. Foot's advice?
M.P.

10 May 1982



10 DOWNING STREET

Cliff ^{Muri} ^{Good.} ^{M4v.}

Tam McLaffrey believes Michael Foot will be quite relaxed about a written answer introducing the white paper, and announcing the changes. He will confirm this view after consulting.

On this basis, I have asked David Wright to consider whether any drafting changes are needed for a composite written reply, probably to be given early next week.

M4
4/
v.



10 DOWNING STREET

Clive Security Commission Statement
Can we now say not before
Tuesday May 4?

MP
21/11

BF 7/11 NL

MP

Ref. A08029

MR WHITMORE

Security
Original sent
to J Porter
7/4/82

Security Commission

With his minute of 26th March, Sir Robert Armstrong attached a draft press notice containing an announcement about changes in the membership of the Security Commission. In your minute of 28th March, you conveyed the Prime Minister's agreement to this method of announcement subject to some changes to the draft.

2. Since then, the Home Office have raised with us the question of how to announce Lord Bridge's additional appointment as Judicial Monitor for Interception. The Home Office are anxious not to draw particular attention to the announcement of this additional function which Lord Bridge will have as Chairman of the Security Commission. They have suggested to us and Sir Robert Armstrong agrees that the best way of doing this would be to include a reference in the Notice for Editors which will be issued at the time of the announcement of Lord Bridge's appointment. If you are content with this procedure, the following sentence could be added:
'Lord Bridge will also take over Lord Diplock's role of monitoring the arrangements for the interception of communications set out in Cmd 7873 "The Interception of Communications in Great Britain"'.
'

D. J. WRIGHT

D J WRIGHT

5th April 1982

CONFIDENTIAL

I shall need quite some time
on this to narrow down
MF.

PRIME MINISTERSTATEMENT ON THE SECURITY COMMISSION REPORT

You might like to have another look over the weekend at the draft statement on the Security Commission report which you are due to make in the House on Tuesday 6 April.

When you saw the draft before, you made one or two remarks on it. First, you suggested the deletion of the sentence in paragraph two you have put in brackets. I have discussed this with Sir Robert Armstrong, and he thinks that it is worth including the sentence because it directly reflects the views of Lord Diplock and his colleagues. With that in mind, he has suggested amending the sentence to read "I share the view of Lord Diplock and his colleagues that an expurgated version of the report would give a misleading impression of it". Would you like to include this new sentence ?

I have also consulted Sir Robert Armstrong about the changes you have made to the penultimate sentence of paragraph two, and he is happy about this.

You also asked whether the words you underlined in the penultimate sentence of paragraph four of the draft ^{were} ~~was~~ a direct quote. ^{They are.} ~~It is.~~ Content to leave the sentence as it is ?

The Chancellor of the Exchequer wonders whether the first sentence of paragraph four might be thought to be provocatively bland and he has suggested that it should be either omitted or expanded. I have discussed the Chancellor's comment with Sir Robert Armstrong, and he takes the view that since it is true that the findings of the review are reassuring, it is worth saying so in plain language. I think this is right. Agree that the sentence should stay in ?

2 April 1982

Yes
KAW

CONFIDENTIAL



Security

10 DOWNING STREET

THE PRIME MINISTER

2 April, 1982.

Dear Mr. Foot.

In my statement to the House on 26 March 1981 I announced, after consulting you, that I had asked the Security Commission to conduct a review of security procedures and practices in the public service and to consider what changes, if any, were required.

As you know, the Commission has now completed its inquiry and submitted its report. After careful consideration I have accepted the view of Lord Diplock and his colleagues that it would not be in the national interest to publish their report in its entirety, since substantial portions of it concern the most sensitive details of procedures in the security agencies.

I have also considered Lord Diplock's advice that any published version of the report would need to be edited to such an extent that it would present a misleading picture, and I have decided to follow the precedent of the statement on the findings of the conference of Privy Counsellors on security in March 1956, and to publish in the form of a White Paper as many of the Commission's recommendations as is consistent with the needs of national security, with as full as possible an account of the thinking of the Commission which lies behind them, together with the Government's comments on them. This procedure, and the terms of the White Paper, have been agreed with Lord Diplock and his colleagues.

/ I will send you

CONFIDENTIAL

- 2 -

I will send you next week an advance copy of the White Paper, which we propose to publish on Wednesday 7 April, and of an oral statement which I propose to make in the House on 6 April.

I also propose to announce on 7 April the resignation of Lord Diplock as Chairman of the Security Commission and the consequential appointments of Lord Bridge as his successor and Lord Justice Griffiths, about which I consulted you on 28 February.

Yours sincerely

Raymond Storer

The Rt. Hon. Michael Foot, M.P.

CONFIDENTIAL

CONFIDENTIAL



DRAFT OF A LETTER FOR THE PRIME MINISTER
TO SEND TO THE LEADER OF THE OPPOSITION ON
2nd OR 3rd APRIL 1982

In my statement to the House on 26th March 1981 I announced, after consulting you, that I had asked the Security Commission to conduct a review of security procedures and practices in the public service and to consider what changes, if any, were required.

As you know, the Commission has now completed its inquiry and submitted its report. After careful consideration I have accepted the view of Lord Diplock and his colleagues that it would not be in the national interest to publish their report in its entirety, since substantial portions of it concern the most sensitive details of procedures in the security agencies.

I have also considered Lord Diplock's advice that any published version of the report would need to be edited to such an extent that it would present a misleading picture, and I have decided to follow the precedent of the statement on the findings of the conference of Privy Counsellors on security in March 1956, and to publish in the form of a White Paper as many of the Commission's recommendations as is consistent with the needs of national security, with as full as possible an account of the thinking of the Commission which lies behind them, together with the Government's comments on them. This procedure, and the terms of the White Paper, have been agreed with Lord Diplock and his colleagues.

CONFIDENTIAL

CONFIDENTIAL



I will send you next week an advance copy of the White Paper, which we propose to publish on Wednesday 7th April, and of an oral statement which I propose to make in the House on 6th April.

I also propose to announce on 7th April the resignation of Lord Diplock as Chairman of the Security Commission and the consequential appointments of Lord Bridge as his successor and Lord Justice Griffiths, about which I consulted you on 28th February.

CONFIDENTIAL



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

1 April 1982

C A Whitmore Esq.
100 Downing Street

New Cline,

DIPLOCK *with COW?*

The Chancellor has seen Sir Robert Armstrong's minute of 26 March, and the papers which were attached to it. His only comment is that he wonders whether the first sentence of paragraph 4 of the draft Oral Statement might not be seen as provocatively bland. His advice is that it should be either omitted or expanded.

A copy of this letter goes to David Wright in the Cabinet Office.

Yours ever,
J O Kerr.

J O KERR
Principal Private Secretary

1 APR 1962

111212-1
20 22
21 23
24 25
26 27



CONFIDENTIAL



Prime Minister

Ref. A07949

PRIME MINISTER

Yes
not

Agree to make the statement

is proposed?

Content with the draft

I have with select
one or two drafts
not statement and White Paper?

Report of the Security Commission

RM 26 iii

On 5th March I submitted advice on the Security Commission's report and, following the meeting you held on 17th March, I was instructed to agree the proposed course of action and the terms of the statement with Lord Diplock and his colleagues. This I have now done. They said that they thought that the condensation of their report into the draft White Paper had been very well done, and had only very minor changes to suggest. I was able to agree revised texts on all points. They are therefore content with the attached drafts, and also content that you should say that the method of proceeding and the terms of the statement have been agreed with them. The way is now clear for you to inform the Leader of the Opposition and to make the oral statement in the House. I recommend that you should make your oral statement on Tuesday 6th April; the written statement can then be published as a White Paper on Wednesday 7th April.

2. I think that you should inform the Leader of the Opposition a few days in advance. The course of action now proposed - publishing a statement summarising the report rather than the report itself - goes back to a precedent of 1956. Both the Radcliffe Report of 1962 and all Security Commission reports (the Commission was not set up until 1964) have been published in an expurgated form, and the Leader of the Opposition has been shown the full text and invited to endorse the expurgations. The Security Commission has not previously been asked to conduct a general review of procedures, and you and your colleagues decided that on this occasion you preferred to follow the 1956 precedent, and not show the Leader of the Opposition what was to be omitted. You should give him a few days' notice of what you propose. I attach a draft of a letter for you to send to the Leader of the Opposition, which I suggest should go on Thursday 2nd April or Friday 3rd April.

3. I am copying this minute and attachments to those who attended the meeting on 17th March.

RA

ROBERT ARMSTRONG

26th March, 1982

CONFIDENTIAL



DRAFT ORAL STATEMENT BY THE PRIME MINISTER

In my statement to the House on 26th March I announced that, after consultation with the Rt. Hon. Gentleman, the Leader of the Opposition, I had asked the Security Commission to conduct a review of security procedures and practices in the public service and to consider what changes, if any, were required.

2. The Commission has completed its task and submitted its report. I am most grateful to Lord Diplock and his colleagues, Lord Bridge of Harwich and Lord Allen of Abbeydale, for their thorough and painstaking work. After careful consideration, I have concluded, albeit with some regret, that it would not be in the national interest to publish this report ^{in full} since substantial portions of it concern sensitive aspects of security procedures. [An expurgated version of the report would give a misleading impression of it.] I therefore propose to make as full a statement as is consistent with national security about the Commission's findings. ~~I am authorised to say that Lord Diplock and his colleagues are content with this course, and believe it to be the right~~ course to follow in the circumstances. They have approved the statement, which is being published tomorrow as a Command paper.

Further
I share the
view of Lord
Diplock and
his colleagues
but an
expurgated
version

3. This is the first comprehensive review of security procedures which has taken place since the Report of the Committee on Security Procedures in the Public Service, known as the Radcliffe Report, was published in April 1962. Like Radcliffe, the Commission has taken "security" in its terms of reference to mean the safeguarding of such information in the possession of the Government as would by its unauthorised disclosure cause injury to the interests of the country. Its report does not cover the protection of Government buildings or their contents or vital installations against sabotage or terrorist attack, although it does cover physical precautions for denying access to classified information by unauthorised persons.

4. The Report is generally reassuring. Subject to the Commission's views about the need for an urgent evaluation of the risks involved in electronic information processing and the means of countering them, Lord Diplock and his colleagues conclude that the security procedures, as they have been



is this a
draft note?

applied since Radcliffe and considerably modified and updated since, have worked well and can be relied upon to prevent infiltration of any of those bodies dealing with particularly sensitive security issues of the kind which took place in the 1930s and 1940s. Nevertheless they make a number of recommendations which the Government accepts (subject in a few instances to further necessary inquiries) and will implement as soon as possible.

DRAFT WRITTEN STATEMENT TO PARLIAMENT BY THE PRIME MINISTER

INTRODUCTION

1. In my statement to the House on 26 March 1981 I announced that, after consultation with the Rt Hon Gentleman, the Leader of the Opposition, I had asked the Security Commission to review the security procedures and practices currently followed in the public service and to consider what, if any, changes are required. After investigations involving 32 meetings over a period of 9 months, a considerable volume of written and oral evidence and interviews with 36 witnesses, the Commission has submitted its report. The Commission's report is generally reassuring: Lord Diplock and his colleagues take the view that the procedures, as they have been applied since the Committee under Lord Radcliffe reported in April 1962 (Cmnd 1681), have worked well. The Commission has nevertheless recommended a number of changes, both to improve existing procedures and to meet certain changes which it identifies in the threats to security. These recommendations, and the Government's response to them, are set out in summary form in the Annex to this Statement, except for those recommendations which the Government consider that it would be against the interests of security to publish.
2. The Government have considered whether to publish the text of the report, omitting those passages and recommendations which it would be contrary to security to publish. They have come to the conclusion that an expurgated text would inevitably give a seriously misleading impression of the report. None the less they think it desirable to give an account of the considerations which informed the Commission's thinking and lie behind the specific recommendations that are being published. That is the purpose of the remainder of this Statement. This course of action, and the terms of this Statement, have been agreed with Lord Diplock and his colleagues in the inquiry.
3. The Commission makes it clear that, though the occasion of this reference to it was the publication of a book which dealt with a number of cases of proven or suspected disclosure of sensitive information

to Soviet bloc intelligence services, those cases occurred many years before the improvements in security procedures recommended in the report of the Radcliffe Committee (Cmnd 1681) in 1962 had been put into effect and for the most part before any form of positive vetting had been introduced. It was not within the Security Commission's terms of reference to examine once again allegations against individuals who are now either dead or have long ago been publicly exposed. Those cases had all been the subject of intensive examination and re-examination in the utmost detail, and in the Commission's view, as well as that of the Government, no useful purpose could be served by the Commission going yet again over the same well-trodden ground.

4. Twenty years after Radcliffe, the Commission considers that the external threat from Soviet bloc intelligence services, although it has been contained with greater success than before 1961, remains undiminished. On the other hand, the Commission believes that the internal threat has altered considerably since Radcliffe. It has become more varied and viewed as a whole has grown more serious. The threat offered by the Communist Party of Great Britain (CPGB), upon which Radcliffe concentrated, has probably diminished as a result of the fall in the number of its members and the disillusionment of many of them with Soviet policy since 1961 in invading Czechoslovakia and, more recently, Afghanistan. The fall in CPGB membership, however, has been accompanied by the proliferation of new subversive groups of the extreme Left and extreme Right (mainly the former) whose aim is to overthrow democratic parliamentary government in this country by violent or other unconstitutional means, not shrinking in the case of the most extreme groups from terrorism to achieve their aims. Membership of individual groups is small but, for the most part, active and conspiratorial. They might well seek to make public information injurious to the interests of this country, not at the behest or for the benefit of any foreign power, but simply to harm this country itself, whether by causing a rift between it and its allies or otherwise, and by these means to weaken its defences against the overthrow of democratic government here by force.

5. The Commission's greatest disquiet arises from a different change in the nature of the threat to security. The use of computers in the public service for the storage and retrieval of classified

information is not mentioned in Radcliffe; if it occurred at all then it can have been no more than minimally. Since that time, however, and particularly over the last ten years, it has progressed rapidly and so has the use of word-processors and other forms of office automation. The Commission does not doubt that this trend will continue and indeed accelerate with continuing developments in computer technology and will bring in its train new security problems, which themselves will not stay static, in the safeguarding of classified information made accessible at the terminals of large central computers or stored in mini-computers or on floppy discs or other forms of storage used for word-processing machines.

CLASSIFICATION

6. The aim of both physical and personnel security is to prevent the disclosure of information acquired by public servants in the course of their official duties to anyone who would be likely to use it to the injury of this country. The methods used are, on the one hand, physical protection and, on the other, denial of access to classified information by persons whose loyalty and reliability have not been confirmed by previous investigation. The degree of protection depends upon the security classification accorded to the information in question. The system of classification thus lies at the root of security procedures in the public service.

7. The principal current classifications in use in the United Kingdom, together with their definitions, are:-

TOP SECRET	Information and material the unauthorised disclosure of which would cause exceptionally grave damage to the nation.
SECRET	Information and material the unauthorised disclosure of which would cause serious injury to the interests of the nation.
CONFIDENTIAL	Information and material the unauthorised disclosure of which would be prejudicial to the interests of the nation.

RESTRICTED

Information and material the unauthorised disclosure of which would be undesirable in the interests of the nation.

8. In the Commission's view, over-classification is the error that is most commonly committed in carrying out current security procedures. This is not only objectionable upon grounds of managerial efficiency and economy; it adds considerably to the expense of the security procedures and the manpower needed to carry them out; even more important, it is liable to undermine the effectiveness of the procedures themselves. The Commission therefore recommends (a) that there should be a thorough review of the classification system, designed both to limit the number of newly created papers with a high security classification and to attempt to bring about early reduction in the classification of papers, once they have been created. More generally, the Commission recommends (b) that the manuals providing security guidance in Departments should be revised so as to make the instructions they contain clearer and easier to consult.

PERSONNEL SECURITY MEASURES

The Positive Vetting System

9. The system used to investigate the reliability of those who are expected to have regular access to highly classified information is known as positive vetting (PV). The PV system has now been in operation for thirty years. The Commission has no hesitation in recommending (c) that it be continued, on the grounds that, properly carried out, it exposes "character defects" which render uncertain the subject's trustworthiness or discretion, and his ability to resist pecuniary temptation or exposure to blackmail. The Commission observes that character defects rather than disloyalty for ideological reasons or subversive tendencies have been the cause of all known cases of disclosure of information to hostile intelligence services that have occurred since Radcliffe. At the same time it notes that there are currently about 68000 posts for which PV clearance is required, of which 16600 are in the Home Civil Service, all but 3500 of these being in the Ministry of Defence (including the Atomic Weapons Research Establishment). The Commission has the impression

that Home Civil Service Departments have been too ready to classify posts as requiring PV clearance, although it recognises that, in the case of the Ministry of Defence, the need to meet the requirements of our allies accounts for the existence of a considerable number of them. The Commission comments that there are three main drawbacks to the PV system.

- i. it is expensive, particularly in the use of manpower in the field-work undertaken by investigating officers in interviewing the subject of the PV check and his referees;
 - ii. the PV process involves considerable time, its completion averaging three months or more in ordinary cases, though in cases of urgency the process can be carried through much more quickly than that. In those departments or services where, with relatively minor exceptions, all candidates for recruitment have to be positively vetted, the delay may result in the loss of valuable recruits especially those with specialised qualifications who accept other offers of employment during the waiting period; and
 - iii. in a department in which there are many PV posts, the failure of a member of the staff of the department to obtain PV clearance upon transfer to a PV post may block his chances of promotion and, under the existing rules, would prevent his reaching the grade of Under-Secretary or above. In any event it may well affect adversely the prospects of his career in lower grades of the public service, although the Commission notes that, in the majority of cases in the Home Civil Service, it has been found possible by good management to avoid this result.
10. Against this background, the Commission recommends (d) that departments should review each of their existing PV posts with a view to seeing whether the number of them could be reduced; and notes with approval that a scrutiny of all PV posts in the Ministry of Defence and the armed services is already being undertaken. The Commission also questions the arrangements whereby certain categories of post, for example officials of Under-Secretary rank or above, or those of

whatever rank in Ministerial Private Offices, are automatically held to require PV clearance. In the case of Under-Secretaries the Commission accepts that present practice is based on the theory that, in order to make most effective use of their abilities, Civil Servants in the higher echelons should be fully transferable within and between Departments, but does not think that this consideration is over-riding. It therefore recommends (e) and (f) that PV should no longer be an automatic requirement for these two categories.

11. The Commission examines the requirement that all members of the Diplomatic Service should be subject to PV clearance. The fact that members of the Diplomatic Service spend much of their service career in posts abroad makes them obvious targets for the intelligence service of foreign powers. Whether at home or overseas they frequently handle or have access to information relating to external affairs which merits high security classification and which they may be inveigled into disclosing through indiscretion; while the introduction into the Diplomatic Service of a recruit willing to betray this country for ideological reasons must continue to be treated as an ever-present danger. The Commission therefore regards maintenance of the present PV requirement as essential on security grounds. It notes that, because of the time taken for completion of PV clearance, recruits other than those to post in the administrative grades, research officers, economists, security officers and NATO staff, are engaged provisionally pending completion of PV. The Commission regards this as acceptable provided that the recruit is not posted overseas until PV is complete and that care is taken to limit his access to the most sensitive material. It so recommends (g).

12. The Commission also examines the requirement that all members of police special branches should have PV clearance. It concludes that this requirement is justified by virtue of the role which special branches play in countering terrorist and other subversive activities. At the same time the Commission recommends (h) arrangements for appeal in the event of refusal of PV clearance to a member of a police force.

13. Positive vetting is not confined to government departments and the police. It is used as a personnel security measure in both the United Kingdom Atomic Energy Authority (UKAEA) and in those firms

which have contracts involving access to classified material. The Commission considers the scope for reducing the number of PV posts in both.

14. The UKAEA is not a government department. It is responsible for recruiting its own staff; it does not use the Civil Service Commission. It is also responsible for its own security and that of British Nuclear Fuels Ltd (BNFL) a company incorporated under the Companies Act, whose capital is wholly government owned. The threat in the case of UKAEA and BNFL is not only from the intelligence services of the Soviet bloc but also from nations anxious to acquire know-how to enable them to enter the nuclear weapons field. In accord with an undertaking given to the United States all employees of UKAEA (except those at Culham Laboratory) and BNFL are subject to a form of vetting known as full record check under which the employee has to fill in a written questionnaire; but although they are concerned with the peaceful uses of nuclear energy and have but little access to TOP SECRET information, an agreement with the United States requires that persons with actual or potential access to SECRET ATOMIC information must hold PV clearances: any reduction in the extent of PV would therefore need to be negotiated with the United States Government.

15. The Radcliffe Report described the arrangements for positive vetting of employees of firms engaged in classified government contracts. Security advice is given to these firms by the Security Service whose team of advisers has, as Radcliffe recommended, been substantially increased. The PV procedure is the responsibility of the contracting department, generally the Ministry of Defence, and interviews and field investigations are usually carried out by Ministry of Defence investigating officers. Although noting that the risk of unauthorised disclosure of classified information would appear on the face of it to be greater in those firms than in the public service itself, the Commission sees no necessity to recommend any change in the existing procedure.

Criteria for PV Clearance

16. In addition to considering the basis for requiring staff to be positively vetted, the Commission examines the criteria used to

determine whether PV clearance should be given. Under the present rules, there is a presumption that an individual should not be given PV clearance if one or more carefully defined indicators of unreliability appear to be applicable. Apart from the obvious indications of untrustworthiness, such as involvement with treasonable, seditious, espionage, sabotage or terrorist activities against the State, the criteria fall broadly into three categories:-

- a. membership of or sympathy with a subversive organisation;
- b. "character defects": these are factors relating to character or conduct tending to make a person unreliable or which may expose him to blackmail or other influence by a foreign intelligence service;
- c. defects of circumstance, such as communist country origin, which involve no reproach at all in respect of character or conduct, but which may have to be taken into account because they may impose a strain on a person's loyalty or make him vulnerable to pressure by a foreign intelligence service.

17. The Commission confines its comments to what it considers to be the most controversial of the "character defects": male homosexuality. It notes the claim that, in view of the change of English and Scottish law and of public opinion which has taken place since the Radcliffe Committee reported, an unconcealed, acknowledged and stable relationship in Great Britain with another consenting adult of the same sex in which no homosexual acts take place in public no longer involves a party to such a relationship in any vulnerability to blackmail and thus does not constitute a security risk in officers whose service is confined to England, Scotland and Wales. The Commission comments that homosexual tendencies may remain latent only or may manifest themselves in a broader gamut of forms from inconspicuous stable relationships through promiscuity or exhibitionism to paederasty. It therefore recommends (i) that, in the Home Civil Service, male homosexual inclinations or relationships should not necessarily be treated as an absolute bar to PV clearance, but should be dealt with on a case by case basis, paying particular attention to whether the way in which the individual has indulged his homosexual tendencies

casts any doubt upon his discretion or reliability.

18. At the same time, the Commission observes that homosexual relationships between consenting male adults are still offences against the criminal law of a number of foreign states to which persons serving in the Diplomatic Service are liable to be posted, and these include the USSR and other states in the Soviet bloc. The Commission therefore recommends (j) that homosexuality, even if acknowledged, should continue to be a bar to employment in the Diplomatic Service and in any PV post elsewhere which might involve the officer being posted outside Great Britain. In the Armed Forces, homosexual acts, even between consenting male adults, are disciplinary offences rendering the perpetrator liable to compulsory discharge. Here too the Commission recommends (k) that homosexuality should, on security grounds, remain a bar to appointment to a PV post.

Appeals when PV clearance is refused

19. The decision to refuse PV is taken by the Department in which the officer is serving. From this decision, if it is based on character defect, there is a right of appeal to the permanent head of the department. Where refusal of PV is for other security reasons there is a right of appeal to the Three Advisers (the tribunal appointed by the Government to advise Ministers in such cases) who currently consist of two retired Permanent Secretaries of departments of the Home Civil Service and a former Secretary-General of the Civil Service National Whitley Council Staff Side. The Advisers have not in fact sat on an appeal since 1969; which reflects the fact that character defects rather than security reasons have provided the grounds on which PV has been refused. The Commission recommends (l)(m) that these procedures be maintained, with modifications.

20. In the case of firms involved in classified work there exists a provision, which has never needed to be used, for an employee refused PV clearance on grounds of character defects to appeal to the Three Advisers. A similar provision, also never exercised, exists in respect of British subjects seconded to International Defence Organisations. The Commission finds these provisions anomalous and recommends (n) that they be abolished.

Review of PV Clearance

21. The procedure for PV provides for a review of PV clearance at regular intervals, generally quinquennial but in some departments the review is undertaken at ten year intervals only. The Commission agrees that such reviews should continue to be undertaken at regular intervals of never more than ten years, but normally of five, and recommends (o) that there should be greater uniformity in departments' review procedures.

Political Appointments

22. The Commission notes the possibility that a Minister may himself be a security risk. Indeed the Commission in 1973 (Cmnd 5367) was driven to that conclusion in the case of a junior Minister on the grounds of character defects. The Commission recognises, however,

that the way in which ministerial posts are filled upon a change of Government makes it impracticable to subject Ministers to PV clearance before appointment and probably politically unacceptable to invite them to co-operate in PV clearance procedures in respect of themselves after appointment; although, following the recommendation of the Security Commission in Cmnd 5367, Ministers on appointment to a department are given specific instructions upon security problems and procedures. The Commission repeats and re-emphasises that recommendation. (p)

23. The Commission also endorses the Positive Vetting of special advisers to Ministers where they have regular access to highly classified information. It recommends (q) that all advisers should comply with the requirements needed for the authorisation of access to classified information.

24. As the Commission notes, if the Select Committee system is to work effectively, it is desirable that access to classified information in the possession of Government should not be entirely barred. This presents special problems of its own. The Commission is emphatically of the opinion that no specialist adviser should be given regular and constant access to TOP SECRET information or any access at all to information which by agreement with any of our allies is confined exclusively to persons with PV clearance. Further, the Commission considers that the security risks which apply to less highly classified information would be reduced if a record check, akin to that adopted in respect of all employees of the UKAEA and BNFL, were adopted for those specialist advisers who need access to it. The information provided by the specialist adviser in filling up the vetting form would, if true, provide the material to justify denying him access to classified material if this should be necessary on security grounds. If, however, it were untrue in any relevant respect that could be demonstrated without revealing delicate sources of information, the unreliability of the proposed specialist adviser, justifying refusal of access to classified information, would have been made manifest. The Commission accordingly recommends (r) that consideration be given to the feasibility of introducing a record check on these lines.

SECURITY AND INTELLIGENCE

25. Because of the circumstances which led to the Prime Minister's statement on 26 March 1981, the Commission pays particularly close attention to the recruitment and personnel security procedures for those engaged in the security and intelligence services, and makes a number of recommendations for modifications in those procedures. It would not be appropriate to describe these modifications in this statement, but they are being implemented.

COMPUTERS AND OFFICE AUTOMATION

26. The use of computers in the public service for the storage and retrieval of classified information is the area of physical security which causes the Security Commission the greatest disquiet. The amount of data that is capable of being stored upon a single disc or magnetic tape and the rapidity approaching instantaneity with which the data can be retrieved means that any vulnerability to access by hostile intelligence services of material stored in computers or word processors could be a major disaster to this country and in particular to the efficacy of those involved in secret intelligence work. The problems of dealing with security in this field are highly technical and are unlikely to remain static since they are liable to be affected by the rapid changes that will continue to take place in computer and micro-chip technology.

27. The Commission is impressed by the thoroughness of the physical precautions taken to deny unauthorised access to computer installations and discs and tapes upon which information is stored, and also to prevent the use of terminals by unauthorised persons; but it does not feel qualified to express an informed view as to whether such installations are entirely free from other forms of vulnerability or on whether the system of code-words and personal keys for preventing unauthorised access to particular mini-computers or word-processors are entirely adequate.

28. The Commission notes that there is a great demand outside the public service for trained computer staff, particularly those capable of undertaking those tasks which require the highest forms of expertise.

In the private sector of industry and commerce, persons with these qualifications have been able to command salaries substantially higher than those paid to civil servants. In consequence the public service has experienced a comparatively rapid turnover of computer staff after they have acquired the skill and experience that enables them to earn higher salaries elsewhere. The Commission thinks that this tendency will continue. Compared with other civil servants computer staff should be regarded from the security point of view as birds of passage. This means that in the case of classified information stored in computers there are likely to be outside the public service persons with intimate knowledge of the programming and the hardware and software of the computers in which the information is stored. This cannot but increase the risk of such knowledge being passed on to hostile intelligence services. The Commission draws particular attention to this but makes no specific recommendation as to the way in which the risk might be eliminated.

29. In its Report in May 1981 (Cmnd 8235), the Commission recommended that responsible officials should institute a study of the special problems involved in the storage of information in the various types of magnetic media. In its present report the Commission draws attention to the much broader and more technical aspects of the security risks involved in electronic information processing. It considers that the present arrangements at official level for dealing with these matters do not adequately reflect what it considers may well present today and in the foreseeable future the greatest potential threat to classified information, and recommends (s) that appropriate improvements be made.

CONCLUSION

30. When I announced that the present inquiry was to take place, I referred to the difficult balances to be struck between the need to protect national security, the nature and cost of the measures required to do so effectively, the need for efficiency and economy in the public service and the individual rights of members of the public service to personal freedom and privacy. The account given in this Statement of the reasoning, conclusions and recommendations of Lord Diplock and his colleagues shows, in the Government's view, how

carefully the Security Commission has weighed these often conflicting considerations. The Government agree with the three main themes which emerge from the Commission's analysis: that the present system of security procedures is well conceived and operates effectively; that, while the threat from Soviet bloc intelligence remains undiminished, this country's democratic institutions are now also under challenge from a range of new subversive groups, whose readiness to inflict deliberate harm on the country is also considerable; and that the growth in the use of electronic devices for processing and storing highly classified information presents a new and continuing challenge to those responsible for its protection. As this statement and its Annex also make clear, the Government agree too with the substance of the Commission's detailed recommendations. They therefore welcome the report and are acting upon it.

(a) Recommendation

There should be a thorough review of the classification system. This should include a rigorous revision of the examples which are given to government departments and those included in the additional guidance given to their own staff by individual departments, with a view to down-grading information to RESTRICTED or to privacy markings, where the reason for its being classified is the political or administrative embarrassment that its disclosure to the public would cause. As regards material still meriting classification as CONFIDENTIAL or above after the removal of politically or administratively embarrassing information to the RESTRICTED security category or to privacy markings only, consideration could usefully be given once again in each department to the grade within the service at which an officer should have the power to originate material in each of the three higher classifications. Where the need to prevent an unauthorised disclosure is only temporary, as may often be the case outside the fields of defence and secret intelligence work, consideration could also be given to the possible advantage in the originator of such classified material recommending a period after which de-classification would be automatic.

Government Response

A review covering all these points ~~has~~ been put in hand.

(b) Recommendation

The handbooks providing central guidance on security matters to Government departments should be re-arranged, re-edited and, in many parts, re-written so that the instructions they contain can more readily be found and understood by those who have to comply with them.

Government Response

The Government accept this recommendation and this work is in train.

(c) Recommendation

Positive vetting for the holders of posts involving regular access to very highly classified information should be maintained.

Government Response

The Government welcome this recommendation.

(d) Recommendation

Home Civil Service Departments should review each of their existing PV posts with a view to seeing whether the number of them could be reduced.

Government Response

The Government have instituted a review in those departments where such action is not already being taken.

(e) Recommendation

The rule should be abolished whereby all officials of the rank of Under Secretary or above are automatically subject to PV clearance.

Government Response

This recommendation is being implemented.

(f) Recommendation

Officials in the Private Offices of Ministers other than Cabinet Ministers should not be subject to PV clearance other than in cases where the job requires regular and constant access to highly classified information.

Government Response

The Government accept this recommendation, and have asked Departments to pay particular attention to this aspect in their general review of PV posts.

(g) Recommendation

All Diplomatic Service posts should remain subject to PV clearance; and as at present, no recruit be posted overseas until PV clearance has been completed.

Government Response

The Government welcome this endorsement of existing practice.

(h) Recommendation

Rights of appeal should be clearly laid down in the case where a member of a police force is refused PV clearance.

Government Response

The Government accept this recommendation.

(i) Recommendation

In the Home Civil Service, male homosexual inclinations or relationships should not necessarily be treated as an absolute bar to PV clearance, but should be dealt with on a case by case basis, paying particular attention to whether the way in which the individual has indulged his homosexual tendencies casts any doubt upon his discretion or reliability.

Government Response

The Government accept this recommendation which generally accords with current practice.

(j)(k) Recommendation

The change in Recommendation (i) should not apply to the Diplomatic Service, to the holders of other PV posts involving service outside Great Britain, or to the Armed Forces (in which homosexual acts remain a disciplinary offence).

Government Response

The Government agree.

(l) Recommendation

When an official wishes to exercise his right of appeal against refusal of PV clearance on grounds of character defect, he should, if he so requests (except perhaps where the defect consists of mental instability of which it might be harmful to the subject's own mental health to inform him), be given a written statement of the allegations made against him, though not the sources of the information on which the allegations are based.

Government Response

The Government are sympathetic to this recommendation, which corresponds to the practice already followed in some departments, but need to consider further whether, as framed, it can be implemented consistently.

(m) Recommendation

The Chairman of the Three Advisers, an appellate body, should in future be a member of the judiciary.

Government Response

The Government accept this recommendation and will be guided by it when the time comes to appoint a successor to the present Chairman.

(n) Recommendation

The right of appeal to the Three Advisers by employees of firms engaged on classified work against refusal of PV clearance on the grounds of character defect, and by British subjects employed by International Defence Organisations against withdrawal of PV clearance on the same grounds, should be abolished as being anomalous.

Government Response

The Government accept these recommendations.

(o) Recommendation

Reviews of PV clearance should take place at not more than ten-yearly intervals, and normally every five years; and should include certain detailed checks as a minimum. The practice in the Royal Air Force regarding interviews with the subject himself should be brought into line with that obtaining in the other two Services.

Government Response

The Government accept this recommendation, much of which accords with present practice, subject only to further consideration of the practicality of implementing the checks involved.

(p) Recommendation

As at present, Ministers should not be subject to PV clearance, but should on appointment to a Department be given specific instructions upon security problems and procedures.

Government Response

The Government agree with this recommendation, and will maintain existing practice in the matter.

(q) Recommendation

The present arrangement, whereby special advisers to Cabinet Ministers are required to be positively vetted, should be retained, and, in addition, when special advisers may be appointed by other Ministers, they should be required to submit to a form of vetting commensurate with their access to classified information.

Government Response

The Government accept this recommendation.

(r) Recommendation

Consideration should be given to the feasibility of introducing a record check, akin to that used by the UKAEA, for specialist advisers to the Select Committee on Defence and Foreign Affairs and to certain other Select Committees where they would have access to CONFIDENTIAL information; unless they have been previously Positively Vetted, as may well be the case with some of them. But no specialist adviser should be given regular and constant access to TOP SECRET information or any access at all to information which by agreement with any of our allies is confined exclusively to persons with PV clearance.

Government Response

The Government agree with this recommendation and will explore the possibility of implementing it with the Parliamentary authorities.

(s) Recommendation

Responsibility for evaluating the various forms which the threat to information stored or processed electronically may take should be placed upon a senior Committee reporting directly to those responsible

for formulating policy on all aspects of security and for coordinating its application; and the closest possible liaison should be maintained with experts in this field including those in the United States of America.

Government Response

The Government accept this recommendation.

CONFIDENTIAL

DRAFT OF A LETTER FOR THE PRIME MINISTER
TO SEND TO THE LEADER OF THE OPPOSITION ON
2nd OR 3rd APRIL 1982

In my statement to the House on 26th March 1981 I announced, after consulting you, that I had asked the Security Commission to conduct a review of security procedures and practices in the public service and to consider what changes, if any, were required.

As you know, the Commission has now completed its inquiry and submitted its report. After careful consideration I have accepted the view of Lord Diplock and his colleagues that it would not be in the national interest to publish their report in its entirety, since substantial portions of it concern the most sensitive details of procedures in the security agencies.

I have also considered Lord Diplock's advice that any published version of the report would need to be edited to such an extent that it would present a misleading picture, and I have decided to follow the precedent of the statement on the findings of the conference of Privy Counsellors on security in March 1956, and to publish in the form of a White Paper as many of the Commission's recommendations as is consistent with the needs of national security, with as full as possible an account of the thinking of the Commission which lies behind them, together with the Government's comments on them. This procedure, and the terms of the White Paper, have been agreed with Lord Diplock and his colleagues.

CONFIDENTIAL

CONFIDENTIAL

I will send you next week an advance copy of the White Paper, which we propose to publish on Wednesday 7th April, and of an oral statement which I propose to make in the House on 6th April.

I also propose to announce on 7th April the resignation of Lord Diplock as Chairman of the Security Commission and the consequential appointments of Lord Bridge as his successor and Lord Justice Griffiths, about which I consulted you on 28th February.

CONFIDENTIAL



file

AH 8

ccs FCO CO
Tsy GCHQ
MOD DGSS
SIS

SUBJECT

10 DOWNING STREET

not copied to Master Set

From the Principal Private Secretary

22 March 1982

SECRET - UK EYES A
MANAGEMENT - IN CONFIDENCE

Dear John,

I attach the record of the meeting which the Prime Minister held on 17 March 1982 to discuss proposals for the avowal of GCHQ and SIS and for the handling of the Report of the Security Commission.

I am sending copies of this letter and of the attachment to Brian Fall (Foreign and Commonwealth Office), John Kerr (Treasury), David Omand (Ministry of Defence), Robert Armstrong, Brian Tovey, John Jones and 'C'.

Yours sincerely,

Alvin Whinn.

SG

John Halliday Esq.,
Home Office.

SECRET - UK EYES A

MANAGEMENT - IN CONFIDENCE

DRAFT LETTER FROM MR C A WHITMORE
TO MR HALLIDAY (HOME OFFICE)

I attach ^{the} a record of the meeting ^{which was held there} held at
10 ~~Downing Street~~ on 17 March 1982 to discuss proposals
for the avowal of GCHQ and SIS, and ^{for} the handling of the
Report of the Security Commission.

THIS IS A COPY. THE ORIGINAL IS
RETAINED UNDER SECTION 3 (4)
OF THE PUBLIC RECORDS ACT

I am sending copies of this letter and ^{of the} attachment
to ^{Rosen} ~~Mr~~ Fall (Foreign and Commonwealth Office), ^{John} ~~Mr~~ Kerr
(Treasury), ^{Dani} ~~Mr~~ Omand (Ministry of Defence), ~~Sir~~ Brian
Tovey, ~~Mr~~ John Jones and 'C'.

Robert ...

SECRET - UK EYES A

MANAGEMENT - IN CONFIDENCE

DEPARTMENT/SERIES <i>PREM 19</i> PIECE/ITEM <i>1634</i> (one piece/item number)	Date and sign
Extract/Item details: <i>Record of a Meeting at 10 Downing Street on 17 March 1982 at 9.30 am & draft</i>	
CLOSED FOR YEARS UNDER FOI EXEMPTION	
RETAINED UNDER SECTION 3(4) OF THE PUBLIC RECORDS ACT 1958	<i>30/7/2014</i> <i>J. Gray</i>
TEMPORARILY RETAINED	
MISSING AT TRANSFER	
MISSING	
NUMBER NOT USED	

Instructions for completion of Dummy Card

Use **Black Pen** to complete form

Use the card for one piece/item number only

Enter the Department, Series and Piece/Item references clearly
e.g.

DEPARTMENT/SERIES <i>GRA 168</i>
PIECE/ITEM <i>49</i> (ONE PIECE/ITEM NUMBER ONLY)

Please Sign and Date in the box adjacent to the description that applies to the document being replaced by the Dummy Card

If the document is Closed under a FOI exemption, enter the number of years closed. See the TNA guidance *Preparation of records for transfer to The National Archives*, section 18.2

The box described as 'Missing' is for TNA use only (it will apply to a document that is not in its proper place after it has been transferred to TNA)

Subject copy filed in
Security Lib 2
Changes in funding, status
and staffing at GCHQ

PRIME MINISTER

SECRET

Security

7

Your meeting at 0930 tomorrow, Wednesday, is to discuss two separate but closely related subjects:-

(a) First, there are a series of questions affecting the Security and Intelligence Services:-

(i)

THIS IS A COPY. THE ORIGINAL IS
RETAINED UNDER SECTION 3 (4)
OF THE PUBLIC RECORDS ACT

(ii) Should we avow the existence of the SIS and the SIGINT activities of GCHQ and thus put these two agencies on the same basis as the Security Service?

It is proposed that if Ministers agree to make changes in the arrangements for GCHQ and to avow the existence of the SIS and GCHQ's SIGINT activities, a statement should be issued. A draft is at Flag A.

The papers in the first bundle below include a minute from the Chancellor (Flag B) objecting to the idea that if GCHQ's status and funding were changed, the staff of the agency should receive an annual flat rate allowance in compensation..

(b) Second, Ministers need to decide how to handle the report of the Security Commission setting out the conclusions of their review of the security procedures and practices now followed in the public service.

Again, it is envisaged that the Government's decisions should be announced by means of a written statement or White Paper (a draft of which is at Flag C). It is also proposed that you would accompany the publication of this

SECRET

/statement with

SECRET

- 2 -

statement with an oral statement, a draft of which is at Flag D. As I said when I submitted these papers, I do not think that you could make so short and general an oral statement unless the written statement/White Paper had already been published and Members had had time to read it before you spoke, so that they were thus in a position to address sensible questions to you.

Those attending your meeting tomorrow will be:-

Home Secretary; Foreign and Commonwealth Secretary; Chancellor of the Exchequer; Secretary of State for Defence; Sir Robert Armstrong; Sir Michael Palliser; C (Mr. Figures); Mr. John Jones (Director General, Security Service); Sir Brian Tovey (Director, GCHQ); Mr. Savage (Sir Antony Duff's deputy in the Cabinet Office).

This is a large meeting, and I think we shall have to have it in the Cabinet Room.

AW.

16 March 1982

SECRET

SECRET



B/F

6

24 AH

ces HO,
FCO
Tsy
MOD

10 DOWNING STREET

From the Principal Private Secretary

SIR ROBERT ARMSTRONG

REPORT OF THE SECURITY COMMISSION

The Prime Minister has seen and noted your minute A07690 of 5 March 1982 about the report of the Security Commission, together with its attachments.

B/F
16/3/82

She agrees that it would be useful to discuss your minute at the meeting which we have already arranged for 17 March to consider the question of avowal.

She has commented that the section of the Security Commission's report dealing with the security implications of computers and office automation is especially worrying, not least because although the Commission have identified the problem, they have not offered any recommendation for dealing with it.

I am sending copies of this minute to Mr Halliday (Home Office), Mr Fall (Foreign and Commonwealth Office), Mr Kerr (Treasury) and Mr Omand (Ministry of Defence).

AMW.

8 March 1982

AMW

SECRET

Ref: A07690

Prime Minister.

5

Yes

Agree to discuss these papers at the meeting already arranged for 17th March to consider the problem of avowed?

Note - The computer section is very worrying. There is a problem but no recommendation - not.

SECRET

My only general comment on what is proposed below is that you could not possibly make so short and uninformative an oral statement unless the White Paper had already been published and Members had had time to read it before you spoke.

PRIME MINISTER

Report of Security Commission

The Security Commission under Lord Diplock's chairmanship

Feb 5th

submitted to you on 16th December last its report in response to your request to it "To review the security procedures and practices currently followed in the public service and to consider what, if any, changes are required". In my minute (A06983) dated 21st December I undertook to submit further advice on the response which the Government should make to the Commission's recommendations.

2. The Commission's report is generally reassuring. In paragraph 8 of its report, the Commission says: "We think it right to state at once our general impression that, subject to what we have to say later about the need for an urgent evaluation of the risks involved in electronic information processing and the means of countering them, the security procedures in the public service as they have been applied since Radcliffe have worked well. Provided always that they continue to be applied conscientiously, we see no major reason for disquiet". In the light of this judgment it is not surprising that the great majority of the Commission's recommendations consist of proposals to tidy up existing procedures rather than alter them in any drastic way. Officials consider that most of the recommendations can be accepted with, at most, minor reservations on points of detail. We have summarised the Commission's recommendations. Those which we recommend for publication, together with the proposed responses by the Government, are attached as an annex to a draft written statement and would be published with it. Those which should remain secret on grounds of national security are attached as an appendix to this minute.

3. You will wish to note three of these procedural recommendations in particular:

- (i) The Commission regards over-classification as the most commonly committed error in carrying out current security procedures. The one example of over-classification which



SECRET

it selects for comment is the classification as SECRET or CONFIDENTIAL of the mere fact of the existence of a Cabinet Committee, which means that its documents are classified accordingly even when they contain no information which would warrant the classification. The Commission recommends (paragraph 22) that the Official Committee on Security should conduct a thorough review of the classification system.

- (ii) The Commission confirms the value of the positive vetting system but regards the number of posts subject to it (68,000) as excessive, and calls for a scrutiny of all existing posts, other than in the Diplomatic Service, SIS and Security Service which it recommends should remain fully PVD.
- (iii) The Commission attaches great importance to the establishment of more authoritative machinery for ensuring that there are proper safeguards against the growing and ever-changing risks to information which is electronically processed or stored.

4. Perhaps the major points of interest in the Commission's analysis of the current threats to security are:

- (i) its emphasis on character defects, rather than disloyalty for ideological reasons or subversive tendencies, as the cause of all known disclosures of information to hostile intelligence agencies since 1962;
- (ii) its assessment that subversive groups, ideologically based, but not owing loyalty to or acting at the behest of the Soviet or other hostile intelligence services, now constitute a significant threat in their own right;
- (iii) its emphasis on the problems created for security by computer and microprocessor technologies.



SECRET

5. The most difficult issues in the report concern covert and unavowed activities in the security and intelligence fields. These have a particular bearing on the way in which you fulfil the intention you expressed to Parliament (in your statement of 26th March 1981) "to make [the Commission's] findings known to the House in due course, to the extent that it is consistent with national security to do so".

6. My minute (A07357) of 11th February deals separately with the special problems which would be entailed in meeting the Commission's recommendation that the Government avow the existence of the SIS and GCHQ's SIGINT activities. But the Commission also discusses in detail, and recommends the continuation of, Normal Vetting as a covert activity. Clearly it would be self-defeating to publish that recommendation. Again, the Commission's report contains a great deal of detail which should not be published, though no major recommendations, about the methods of recruitment to Security Service, SIS and GCHQ.

7. Against this background I have considered with my colleagues in the Official Committee on Security not only the substantive response which the Government should be advised to make to the Commission's recommendations, but also the linked questions of how much of the report should be disclosed and in what form. I also consulted Lord Diplock about the latter questions.

8. Both the Committee and Lord Diplock consider that it would not be possible to publish the report in full. Indeed, Lord Diplock told me that his colleagues had specifically considered whether they could write a report which could be published in full, had come to the conclusion that they could not, and had therefore written the report accordingly. It would be technically possible to publish an expurgated version of the report. But custom would require you to consult the Leader of the Opposition, as well as Lord Diplock, about the omissions. That would involve giving the Leader of the Opposition some information which I should prefer not to have to give him. Moreover, Lord Diplock is strongly opposed to publication in an abridged form which would in his judgment give a seriously misleading impression of its contents, as was the case, in his view, with the Radcliffe Report. He acknowledges however that the Government would be subjected to severe criticism if their

SECRET



SECRET

public response were wholly anodyne. He has told me that he envisaged, and thinks it right, that the Government should make as full a statement as possible, consistent with overriding security requirements. This was the course followed in the case of the report on this subject which preceded the Radcliffe Report, The Statement on the Findings of the Conference of Privy Counsellors on Security (March 1956, Cmd 9715), and the Official Committee on Security agree that this would be the best course in the circumstances. I have therefore arranged for the attached interdepartmentally agreed draft to be prepared. Once the statement, amended as necessary, has been approved, I should like to show it again to Lord Diplock. If he would allow us to say that he approved its terms, and the manner of its presentation, that would go a long way to removing possible Parliamentary disquiet at the non-publication of the report itself.

9. In considering the draft statement, you and your colleagues will wish to take into account both the extent of what is revealed about current security procedures and also the best way of putting the information before Parliament.

10. On the first point, officials from all the Departments and agencies concerned are satisfied that no security damage would result from publication of the attached text, though it is bound to provide a quarry for Parliamentary Questions.

11. As regards the form of the Government's response, you will clearly need to make an oral statement; and I attach a suggested draft. But, irrespective of the decision on avowal, some additional written communication will be required. The choice is between presenting a White Paper or a Written Statement for publication in the Official Report. I think that the draft is too long for an annex to a Statement in the Official Report, and I therefore recommend a White Paper. If it is decided to avow the existence of SIS and GCHQ, and to publish something on the lines of the material in the draft attached to my minute of 11th February, the two could be published at the same time.

12. I am sending copies of this minute to the Home Secretary, the Foreign and Commonwealth Secretary, the Chancellor of the Exchequer and the Secretary of State for Defence. You, and they, may find it useful to discuss these papers at the meeting you are holding on 17th March to discuss the question of avowal.

RIA

5th March 1982

-4-

Robert Armstrong



SECRET

SUMMARY OF RECOMMENDATIONS BY THE SECURITY
COMMISSION WHICH OFFICIALS RECOMMEND SHOULD
NOT BE PUBLISHED, TOGETHER WITH PROPOSED
GOVERNMENT RESPONSE TO THEM

(After each Recommendation is shown in brackets the
paragraph number in which it appears in the Report)

Recommendation (28)

Normal Vetting should be continued and remain covert.

Government Response

The Government should accept this recommendation.

Recommendation (29)

The Home Office should consider urgently the procedures for the Normal Vetting of those with a possible Irish connection, so as to ensure that no possibility exists of a slip-up between the Metropolitan Police Special Branch and the Security Service.

Government Response

The recommendation should be accepted and the Home Office invited to report back to the Official Committee on Security.

Recommendation (31)

Departments should no longer have discretion to reveal in certain circumstances to an individual under consideration for a Normal Vetting post not only the fact of his rejection on security grounds, but, in some cases, the reason for his failure.

Government Response

This recommendation should be accepted, and implemented through the Personnel Security Committee.

Recommendation (33)

Departments should observe more strictly and promptly the requirement to report to the Security Service the action they have taken as a result of Security Service advice that possible objections to Normal Vetting clearance exist.

Government Response

This recommendation should be accepted and the change incorporated in revising the Manual of Personnel Security Measures, which is recommended elsewhere by the Commission.



SECRET

Recommendation (61)

The SIS should in future be avowed.

Government Response

This recommendation is being considered separately; if it is accepted, there would be no difficulty in publishing the recommendation to this effect.]

Recommendation (62)

Even greater care should be exercised to ensure that junior recruits to the Security Service and SIS should, until their PV is completed, have access only to the least sensitive material.

Government Response

The Government should accept this recommendation and the two Services concerned ensure that it is carried out.

Recommendation (63)

GCHQ should continue to accept the occasional loss of suitable recruits with expert qualifications rather than modify the requirement that PV clearance be completed before they are accepted for employment.

Government Response

The Government should accept this recommendation.

Recommendation (65)

In the SIS, the quinquennial review of PV clearance should invariably (not optionally as at present), in the case of staff who have not been posted overseas since their last PV interview, include an interview with the individual under review.

Government Response

This recommendation should be accepted and implemented by SIS.

Recommendation (66)

In GCHQ, review of PV clearance should include an interview with the subject himself, at least every ten years, and there should invariably be an interview with a member of staff being posted abroad, if more than five years have elapsed since his last PV interview.

Government Response

The Government should accept these recommendations, which should be implemented by GCHQ.



SECRET

Recommendation (76)

No change need be made, as a result of the Nationality Act 1981, to the security precautions (contained in Annex 6 to the Manual of Personnel Security Measures) taken in respect of persons not of United Kingdom origin or with overseas connections.

Government Response

The Government should accept this recommendation, and the Civil Service Commission ensure that the existing instructions continue to be observed.

Recommendation (77)

Although its use has so far been avoided by careful management, there should be retained in any future legislation on employment protection the provision whereby an individual may not apply to an industrial tribunal for relief against unfair dismissal if a Ministerial certificate has been issued that the dismissal was on security grounds.

Government Response

This recommendation should be accepted and brought to the attention of the Permanent Secretary, Department of Employment.

Recommendation (79)

The same safeguard of a Ministerial certificate exists in the anti-discrimination legislation; although also unused, it is adequate for its purpose and should be retained.

Government Response

This recommendation should be accepted and noted by the Home Office.



CONFIDENTIAL

DRAFT ORAL STATEMENT BY THE PRIME MINISTER

In my statement to the House on 26th March I announced that, after consultation with the Rt Hon Gentleman, the Leader of the Opposition, I had asked the Security Commission to conduct a review of security procedures and practices in the public service and to consider what changes, if any, were required.

The Commission has now completed its task and submitted its report. I am most grateful to the Noble Lord, Lord Diplock and his colleagues, Lord Bridge of Harwich and Lord Allen of Abbeydale, for their thorough and painstaking work. After careful consideration, I have concluded that it would not be in the national interest to publish this report, since substantial portions of it concern sensitive details of security procedures. An expurgated version of the report would give a misleading impression of it. I therefore propose to make as full a statement as is consistent with national security about the Commission's findings. I am authorised to say that Lord Diplock [and his colleagues] is [are] content with this course, and believe[s] it to be the right course to follow in the circumstances. Lord Diplock has approved the statement, which is being published today as a Command Paper.

This is the first comprehensive review of security procedures which has taken place since the Report of the Committee on Security Procedures in the Public Service, known as the Radcliffe Report, was published in April 1962. Like Radcliffe, the Commission has taken "security" in its terms of reference to mean the safeguarding of such information in the possession of the Government as would by its unauthorised disclosure cause injury to the interests of the country. Its report does not cover the protection of government buildings or their contents or vital installations against sabotage or terrorist attack, although it does cover physical precautions for denying access to classified information by unauthorised persons.

CONFIDENTIAL



CONFIDENTIAL

The Report is generally reassuring. Subject to the Commission's views about the need for an urgent evaluation of the risks involved in electronic information processing and the means of countering them, Lord Diplock and his colleagues conclude that the security procedures, as they have been applied since Radcliffe and considerably modified and updated since, have worked well and can be relied upon to prevent infiltration of any of those bodies dealing with particularly sensitive security issues of the kind which took place in the 1930s and 1940s. Nevertheless they make a number of recommendations which the Government accepts (subject in a few instances to further necessary inquiries) and will implement as soon as possible.

CONFIDENTIAL

DRAFT WRITTEN STATEMENT OR WHITE PAPER

INTRODUCTION

In the Prime Minister's statement to the House of Commons on 26 March 1981 she announced that, after consultation with the Leader of the Opposition, she had asked the Security Commission to review the security procedures and practices currently followed in the public service and to consider what, if any, changes are required. As she has reported to the House, the Commission's report is generally reassuring: Lord Diplock and his colleagues take the view that the procedures, as they have been applied since the Security Commission under Lord Radcliffe reported in April 1962 (Cmnd 1681), have worked well. The Commission has nevertheless recommended a number of changes, both to improve existing procedures and to meet certain changes which it identifies in the threats to security. These recommendations, and the Government's response to them, are set out in summary form in the Annex to this Statement, except for those recommendations which the Government consider that it would be against the interests of security to publish.

2. As the Prime Minister has explained to the House of Commons, it is not possible, for security reasons, to publish the Security Commission's Report in full. The Government have considered whether to publish the text of the report, omitting those passages and recommendations which it would be contrary to security to publish. They have come to the conclusion that an expurgated text would inevitably give a seriously misleading impression of the report. Nonetheless they think it desirable to give an account of the considerations lying behind the Commission's specific conclusions and recommendations. That is the purpose of the remainder of this Statement. This course of action and the terms of this Statement, have been agreed with Lord Diplock.

all?
3. The Commission makes it clear that, though the occasion of this reference to it was the publication of a book which dealt with a number of cases of proven or suspected disclosure of sensitive information to Soviet bloc intelligence services, those cases occurred many years before the improvements in security procedures recommended in the report of the

CONFIDENTIAL

CONFIDENTIAL

Radcliffe Committee (Cmnd 1681) in 1962 had been put into effect and for the most part before any form of positive vetting had been introduced. It was not within the Security Commission's terms of reference to examine once again allegations against individuals who are now either dead or have long ago been publicly exposed. Those cases had all been the subject of intensive examination and re-examination in the utmost detail, and in the Commission's view, as well as that of the Government, no useful purpose could be served by the Commission going yet again over the same well-trodden ground.

4. Twenty years after Radcliffe, the Commission considers that the external threat from Soviet bloc intelligence services, although it has been contained with greater success than before 1961, remains undiminished. On the other hand, the Commission believes that the internal threat has altered considerably since Radcliffe. It has become more varied and viewed as a whole has grown more serious. The threat offered by the Communist Party of Great Britain (CPGB), upon which Radcliffe concentrated, has probably diminished as a result of the fall in the number of its members and the disillusionment of many of them with Soviet policy since 1961 in invading Czechoslovakia and, more recently, Afghanistan. The fall in CPGB membership, however, has been accompanied by the proliferation of new subversive groups of the extreme Left and extreme Right (mainly the former) whose aim is to overthrow democratic parliamentary government in this country by violent or other unconstitutional means, not shrinking in the case of the most extreme groups from terrorism to achieve their aims. Membership of individual groups is small but, for the most part, active and conspiratorial. They might well seek to make public information injurious to the interests of this country, not at the behest or for the benefit of any foreign power, but simply to harm this country itself, (whether by causing a rift between it and its allies) or otherwise,) and by these means to weaken its defences against the overthrow of democratic government here by force.

5. The Commission's greatest disquiet arises from a different change in the nature of the threat to security. The use of computers in the public service for the storage and retrieval of classified information is not mentioned in Radcliffe; if it occurred at all then it can have been no more than

CONFIDENTIAL

minimally. Since that time, however, and particularly over the last ten years it has progressed rapidly and so has the use of word-processors and other forms of office automation. The Commission does not doubt that this trend will continue and indeed accelerate with continuing developments in computer technology and will bring in its train new security problems, which themselves will not stay static, in the safeguarding of classified information made accessible at the terminals of large central computers or stored in mini-computers or on floppy discs or other forms of storage used for word processing machines.

CLASSIFICATION

6. The aim of both physical and personnel security is to prevent the disclosure of information acquired by public servants in the course of their official duties to anyone who would be likely to use it to the injury of this country. The methods used are, on the one hand, physical protection and, on the other, denial of access to classified information by persons whose loyalty and reliability have not been confirmed by previous investigation. The degree of protection depends upon the security classification accorded to the information in question. The system of classification thus lies at the root of security procedures in the public service.

7. The principal current classifications in use in the United Kingdom, together with their definitions, are -

TOP SECRET Information and material the unauthorised disclosure of which would cause exceptionally grave damage to the nation.

SECRET Information and material the unauthorised disclosure of which would cause serious injury to the interests of the nation.

CONFIDENTIAL Information and material the unauthorised disclosure of which would be prejudicial to the interests of the nation.

RESTRICTED Information and material the unauthorised disclosure of which would be undesirable in the interests of the nation.

8. In the Commission's view, over-classification is the error that is most commonly committed in carrying out current security procedures. This is not only objectionable upon grounds of managerial efficiency and economy; it adds considerably to the expense of the security procedures and the manpower needed to carry them out; even more important, it is liable to undermine the effectiveness of the procedures themselves. The Commission therefore recommends (a) that there should be a thorough review of the classification system, designed both to limit the number of newly created papers with a high security classification and to attempt to bring about early reduction in the classification of papers, once they have been created. More generally, the Commission recommends (b) that the manuals providing security guidance to Departments should be revised so as to make the instructions they contain clearer and easier to consult.

PERSONNEL SECURITY MEASURES

The Positive Vetting System

9. The system used to investigate the reliability of those who are expected to have regular access to highly classified information is known as positive vetting (PV). The PV system has now been in operation for thirty years. The Commission has no hesitation in recommending (c) that it be continued, on the grounds that, properly carried out, it should expose security reasons, or defects of character or circumstance, which render uncertain the subject's trustworthiness or discretion, and his ability to resist pecuniary temptation or exposure to blackmail. The Commission observes that character defects rather than disloyalty for ideological reasons or subversive tendencies have been the cause of all known cases of disclosure of information to hostile intelligence services that have occurred since Radcliffe. At the same time it notes that there are currently about 68,000 posts in the services of the Crown and in other employment for which PV clearance is required. The Commission has the impression that Home Civil Service Departments have been too ready to classify posts as requiring PV clearance, although it recognises that, in the case of the Ministry of Defence, the need to meet the requirements of our allies accounts for the existence of a considerable number of them. The Commission comments that there are three main drawbacks to the PV system.

i. it is expensive, particularly in the use of manpower in the field-work undertaken by investigating officers in interviewing the subject of the PV check and his referees.

ii. the PV process involves considerable time, its completion averaging three months or more in ordinary cases, though in cases of urgency the process can be carried through much more quickly than that. In those departments or services where, with relatively minor exceptions, all candidates for recruitment have to be positively vetted, the delay may result in the loss of valuable recruits especially those with specialised qualifications who accept other offers of employment during the waiting period; and

iii. in a department in which there are many PV posts, the failure of a member of the staff of the department to obtain PV clearance upon transfer to a PV post may block his chances of promotion and, under the existing rules, would prevent his reaching the grade of Under-Secretary or above. In any event it may well affect adversely the prospects of his career in lower grades of the public service, although the Commission notes that, in the majority of cases in the Home Civil Service, it has been found possible by good management to avoid this result.

10. Against this background, the Commission recommends (d) that departments should review each of their existing PV posts with a view to seeing whether the number of them could be reduced; and notes with approval that a scrutiny of all PV posts in the Ministry of Defence and the armed services is already being undertaken. The Commission also questions the arrangements whereby certain categories of post, for example officials of Under-Secretary rank or above, or those of whatever rank in Ministerial Private Offices, are automatically held to require PV clearance. In the case of Under-Secretaries the Commission accepts that present practice is based on the theory that, in order to make most effective use of their abilities, Civil Servants in the higher echelons should be fully transferable within and between Departments, but does not think that this consideration is over-riding. It therefore recommends (e)-(f) that PV should no longer be an automatic requirement for these two categories.

CONFIDENTIAL

11. The Commission examines the requirement that all members of the Diplomatic Service should be subject to PV clearance. The fact that members of the Diplomatic Service spend much of their service career in posts abroad makes them obvious targets for the intelligence service of foreign powers. Whether at home or overseas they frequently handle or have access to information relating to external affairs which merits high security classification and which they may be inveigled into disclosing through indiscretion; while the introduction into the Diplomatic Service of a recruit willing to betray this country for ideological reasons must continue to be treated as an ever-present danger. The Commission therefore regards maintenance of the present PV requirement as essential on security grounds. It notes that, because of the time taken for completion of PV clearance, recruits other than those to posts in the administrative grades, research officers, economists, security officers and NATO staff, are engaged provisionally pending completion of PV. The Commission regards this as acceptable provided that the recruit is not posted overseas until PV is complete and that care is taken to limit his access to the most sensitive material. It so recommends (g).

12. The Commission also examines the requirement that all members of police special branches should have PV clearance. It concludes that this requirement is justified by virtue of the role which special branches play in countering terrorist and other subversive activities. At the same time the Commission recommends (h) arrangements for appeal in the event of refusal of PV clearance to a member of a police force.

13. Positive vetting is not confined to government departments and the police. It is used as a personnel security measure in both the United Kingdom Atomic Energy Authority (UKAEA) and in those firms which have contracts involving access to classified material. The Commission considers the scope for reducing the number of PV posts in both.

CONFIDENTIAL

14. The UKAEA is not a government department. It is responsible for recruiting its own staff; it does not use the Civil Service Commission. It is also responsible for its own security and that of British Nuclear Fuels Ltd (BNFL) a company incorporated under the Companies Act, whose capital is wholly government owned. The threat in the case of UKAEA and BNFL is not only from the intelligence services of the Soviet bloc but also from nations anxious to acquire know-how to enable them to enter the nuclear weapons field. In accord with an undertaking given to the United States all employees of UKAEA (except those at Culham Laboratory) and BNFL are subject to a form of vetting known as full record check; but although they are concerned with the peaceful uses of nuclear energy and have but little access to TOP SECRET information, an agreement with the United States requires that persons with actual or potential access to SECRET ATOMIC information must hold PV clearances: any reduction in the extent of PV would therefore need to be negotiated with the United States Government.

15. The Radcliffe report described the arrangements for positive vetting of employees of firms engaged in classified government contracts. Security advice is given to these firms by the Security Service whose team of advisers has, as Radcliffe recommended, been substantially increased. The PV procedure is the responsibility of the contracting department, generally the Ministry of Defence, and interviews and field investigations are usually carried out by Ministry of Defence investigating officers. Although noting that the risk of unauthorised disclosure of classified information would appear on the face of it to be greater in those firms than in the public service itself, the Commission sees no necessity to recommend any change in the existing procedure.

Criteria for PV Clearance

16. In addition to considering the basis for requiring staff to be positively vetted, the Commission examines the criteria used to determine whether PV clearance should be given. Under the present rules, there is a presumption that an individual should not be given PV clearance if one or more carefully defined indicators of unreliability appear to be applicable. Apart from the obvious indications of untrustworthiness, such as involvement with treasonable, seditious, espionage, sabotage or terrorist activities against the State, the criteria fall broadly into three categories:

- a. membership of or sympathy with a subversive organisation;
- b. "character defects": these are factors relating to character or conduct tending to make a person unreliable or which may expose him to blackmail or other influence by a foreign intelligence service;
- c. defects of circumstance, - such as communist country origin, which involve no reproach at all in respect of character or conduct, but which may have to be taken into account because they may impose a strain on a person's loyalty or make him vulnerable to pressure by a foreign intelligence service.

17. The Commission confines its comments to what it considers to be the most controversial of the "character defects": male homosexuality. It notes the claim that, in view of the change of English and Scottish law and of public opinion which has taken place since the Radcliffe Committee reported, an unconcealed, acknowledged and stable relationship in Great Britain with another consenting adult of the same sex in which no homosexual acts take place in public no longer involves a party to such a relationship in any vulnerability to blackmail and thus does not constitute a security risk in officers whose service is confined to England, Scotland and Wales. The Commission comments that homosexual tendencies may remain latent only or may manifest themselves in a broader gamut of forms from inconspicuous stable relationships through promiscuity or exhibitionism to paederasty. It therefore recommends (i) that, in the Home Civil Service, male homosexual inclinations or relationships should not necessarily be treated as an absolute bar to PV clearance, but should be dealt with on a case by case basis, paying particular attention to whether the way in which the individual has indulged his homosexual tendencies casts any doubt upon his discretion or reliability.

18. At the same time, the Commission observes that homosexual relationships between consenting male adults are still offences against the criminal law of a number of foreign states to which persons serving in the Diplomatic Service are liable to be posted, and these include the USSR and other states in the Soviet bloc. The Commission therefore recommends (j) that homosexuality,

even if acknowledged, should continue to be a bar to recruitment to the Diplomatic Service and, if undiscovered upon initial PV, should result in removal from the Diplomatic Service when it does come to light, unless on a case-by-case basis it can be dealt with under the Alternative Certificate procedure, which confines an officer to a particular job. The Commission also recommends (k) that homosexuality, even if acknowledged, should continue to be a bar to employment in any PV post outside the Diplomatic Service which might involve the officer being posted outside Great Britain. In the Armed Forces, homosexual acts, even between consenting male adults, are disciplinary offences rendering the perpetrator liable to compulsory discharge. Here too the Commission recommends (l) that homosexuality should, on security grounds, remain a bar to appointment to a PV post.

Appeals when PV clearance is refused

19. The decision to refuse PV is taken by the Department in which the officer is serving. From this decision, if it is based on character defect, there is a right of appeal to the permanent head of the department. Where the refusal of PV is for other security reasons there is a right of appeal to the Three Advisers (the tribunal appointed by the Government to advise Ministers in such cases) who currently consist of two retired Permanent Secretaries of departments of the Home Civil Service and a former Secretary-General of the Civil Service National Whitley Council Staff Side. The Advisers have not in fact sat on an appeal since 1969; which reflects the fact that character defects rather than security reasons have provided the grounds on which PV has been refused. The Commission recommends (m)(n) that these procedures be maintained, with modifications, but that the Chairman of the Three Advisers should be a member of the judiciary.

20. In the case of firms involved in classified work there exists a provision, which has never needed to be used, for an employee refused PV clearance on grounds of character defects to appeal to the Three Advisers. A similar provision, also never exercised, exists in respect of British subjects seconded to International Defence Organisations. The Commission finds these provisions anomalous and recommends (o) that they be abolished.

Review of PV Clearance

21. The procedure for PV provides for a review of PV clearance at regular intervals, generally quinquennial but in some departments the review is undertaken at ten year intervals only. The Commission agrees that such reviews should continue to be undertaken at regular intervals of never more than ten years, but normally of five, and recommends (p) that there should be greater uniformity in departments' review procedures.

Political Appointments

22. The Commission notes the possibility that a Minister may himself be a security risk. Indeed the Commission in 1973 (Cmnd 5367) was driven to that conclusion in the case of a junior Minister on the grounds of character defects. The Commission recognises, however, that the way in which ministerial posts are filled upon a change of government makes it impracticable to subject Ministers to PV clearance before appointment and probably politically unacceptable to invite them to co-operate in PV clearance procedures in respect of themselves after appointment; although, following the recommendation of the Security Commission in Cmnd 5367, Ministers on appointment to a department are given specific instructions upon security problems and procedures. The Commission repeats and re-emphasises that recommendation.(q)

23. The Commission also endorses the Positive Vetting of special advisers to Ministers where they have regular access to highly classified information. It recommends (r) that all advisers should comply with the requirements needed for the authorisation of access to classified information.

24. As the Commission notes, if the Select Committee system is to work effectively, it is desirable that access to classified information in the possession of Government should not be entirely barred. This presents special problems of its own. The Commission is of the opinion that no specialist adviser should be given regular and constant access to TOP SECRET information or any access at all to information which by agreement with any of our allies is confined exclusively to persons with PV clearance. Further, the Commission considers that the security risks which apply to less highly

classified information would be reduced if a record check, akin to that adopted in respect of all employees of the UKAEA and BNFL, were adopted for those specialist advisers who need access to it. The information provided by the specialist adviser in filling up the vetting form would, if true, provide the material to justify denying him access to classified material if this should be necessary on security grounds. If, however, it were untrue in any relevant respect that could be demonstrated without revealing delicate sources of information, the unreliability of the proposed specialist adviser, justifying refusal of access to classified information, would have been made manifest. The Commission accordingly recommends (s) that consideration be given to the feasibility of introducing a record check on these lines.

SECURITY AND INTELLIGENCE

25. Because of the circumstances which led to the Prime Minister's statement on 26 March 1981, the Commission pays particularly close attention to the recruitment and personnel security procedures for those engaged in the security and intelligence services. The report makes a number of minor recommendations in this field which it would not be appropriate to describe in detail. They are being implemented.

COMPUTERS AND OFFICE AUTOMATION

26. The use of computers in the public service for the storage and retrieval of classified information is the area of physical security which causes the Security Commission the greatest disquiet. The amount of data that is capable of being stored upon a single disc or magnetic tape and the rapidity approaching instantaneity with which the data can be retrieved means that any vulnerability to access by hostile intelligence services of material stored in computers or word processors could be a major disaster to this country and in particular to the the efficacy of those involved in secret intelligence work. The problems of dealing with security in this field are highly technical and are unlikely to remain static since they are liable to be affected by the rapid changes that will continue to take place in computer and micro-chip technology.

27. The Commission is impressed by the thoroughness of the physical precautions taken to deny unauthorised access to computer installations and discs and tapes upon which information is stored, and also to prevent the use of terminals by unauthorised persons; but it does not feel qualified to express an informed view as to whether such installations are entirely free from other forms of vulnerability or on whether the system of code-words and personal keys for preventing unauthorised access to particular mini-computers or word-processors are entirely adequate.

28. The Commission notes that there is a great demand outside the public service for trained computer staff, particularly those capable of undertaking those tasks which require the highest forms of expertise. In the private sector of industry and commerce, persons with these qualifications have been able to command salaries substantially higher than those paid to civil servants. In consequence the public service has experienced a comparatively rapid turnover of computer staff after they have acquired the skill and experience that enables them to earn higher salaries elsewhere. The Commission thinks that this tendency will continue. Compared with other civil servants computer staff should be regarded from the security point of view as birds of passage. This means that in the case of classified information stored in computers there are likely to be outside the public service persons with intimate knowledge of the programming and the hardware and software of the computers in which the information is stored. This cannot but increase the risk of such knowledge being passed on to hostile intelligence services. The Commission draws particular attention to this but makes no specific recommendation as to the way in which the risk might be eliminated.

29. In its Report in May 1981 (Cmnd 8235), the Commission recommended that responsible officials should institute a study of the special problems involved in the storage of information in the various types of magnetic media. In its present report the Commission draws attention to the much broader and more technical aspects of the security risks involved in electronic information processing. It considers that the present arrangements at official level for dealing with these matters do not adequately reflect what it considers may well present today and in the foreseeable future the greatest potential threat to classified information, and recommends (t) that appropriate improvements be made.

CONFIDENTIAL

CONCLUSION

30. When the Prime Minister announced that the present inquiry was to take place, she referred to the difficult balances to be struck between the need to protect national security, the nature and cost of the measures required to do so effectively, the need for efficiency and economy in the public service and the individual rights of members of the public service to personal freedom and privacy. The account given in this Statement of the reasoning, conclusions and recommendations of Lord Diplock and his colleagues shows, in the Government's view, how carefully the Security Commission has weighed these often conflicting considerations. The Government agree with the three main themes which emerge from the Commission's analysis: that the present system of security procedures is well conceived and operates effectively; that, while the threat from Soviet bloc intelligence remains undiminished, this country's democratic institutions are now also under challenge from a range of new subversive groups, whose readiness to inflict deliberate harm on the country also considerable; and that the growth in the use of electronic devices for processing and storing highly classified information presents a new and continuing challenge to those responsible for its protection. As this statement and its Annex also make clear, the Government agree too with the substance of the Commission's detailed recommendations. They therefore welcome the report and are acting upon it.

CONFIDENTIAL

(a) Recommendation

There should be a thorough review of the classification system. This should include a rigorous revision of the examples which are given to government departments and those included in the additional guidance given to their own staff by individual departments, with a view to downgrading information to RESTRICTED or to privacy markings, where the reason for its being classified is the political or administrative embarrassment that its disclosure to the public would cause. As regards material still meriting classification as CONFIDENTIAL or above after the removal of politically or administratively embarrassing information to the RESTRICTED security category or to privacy markings only, consideration could usefully be given once again in each department to the grade within the service at which an officer should have the power to originate material in each of the three higher classifications. Where the need to prevent an unauthorised disclosure is only temporary, as may often be the case outside the fields of defence and secret intelligence work, consideration could also be given to the possible advantage in the originator of such classified material recommending a period after which de-classification would be automatic.

Government Response

A review covering all these points has been put in hand.

(b) Recommendation

The handbooks providing central guidance on security matters to Government departments should be re-arranged, re-edited and, in many parts, re-written so that the instructions they contain can more readily be found and understood by those who have to comply with them.

Government Response

The Government accept this recommendation and this work is in train.

(c) Recommendation

Positive vetting for the holders of posts involving regular access to very highly classified information should be maintained.

Government Response

The Government welcome this recommendation.

(d) Recommendation

Home Civil Service Departments should review each of their existing PV posts with a view to seeing whether the number of them could be reduced.

Government Response

The Government have instituted a review in those departments where such action is not already being taken.

(e) Recommendation

The rule should be abolished whereby all officials of the rank of Under-Secretary or above are automatically subject to PV clearance.

Government Response

This recommendation is being implemented.

(f) Recommendation

Officials in the Private Offices of Ministers other than Cabinet Ministers should not be subject to PV clearance other than in cases where the job requires regular and constant access to highly classified information.

Government Response

The Government accept this recommendation, and have asked Departments to pay particular attention to this aspect in their general review of PV posts.

(g) Recommendation

All Diplomatic Service posts should remain subject to PV clearance; and, as at present, no recruit be posted overseas until PV clearance has been completed.

Government Response

The Government welcome this endorsement of existing practice.

(h) Recommendation

Rights of appeal should be clearly laid down in the case where a member of a police force is refused PV clearance.

Government Response

The Government accept this recommendation.

(i) Recommendation

In the Home Civil Service, male homosexual inclinations or relationships should not necessarily be treated as an absolute bar to PV clearance, but should be dealt with on a case by case basis, paying particular attention to whether the way in which the individual has indulged his homosexual tendencies casts any doubt upon his discretion or reliability.

Government Response

The Government accept this recommendation which generally accords with current practice.

(j)(k) Recommendation

- (1) The change in Recommendation (i) should not apply to the Diplomatic Service, to the holders of other PV posts involving service outside Great Britain, or to the Armed Forces (in which homosexual acts remain a disciplinary offence).

Government Response

The Government agree.

(m) Recommendation

When an official wishes to exercise his right of appeal against refusal of PV clearance on grounds of character defect, he should, if he so requests (except perhaps where the defect consists of mental instability of which it might be harmful to the subject's own mental health to inform him), be given a written statement of the allegations made against him, though not the sources of the information on which the allegations are based.

Government Response

The Government are sympathetic to this recommendation, which corresponds to the practice already followed in some departments, but need to consider further whether, as framed, it can be implemented consistently.

(n) Recommendation

The Chairman of the Three Advisers, an appellate body, should in future be a member of the judiciary.

Government Response

The Government accept this recommendation and will be guided by it when the time comes to appoint a successor to the present Chairman.

(o) Recommendation

The right of appeal to the Three Advisers by employees of firms engaged on classified work against refusal of PV clearance on the grounds of character defect, and by British subjects employed by International Defence Organisations against withdrawal of PV clearance on the same grounds, should be abolished as being anomalous.

Government Response

The Government accept these recommendations.

(p) Recommendation

Reviews of PV clearance should take place at not more than ten-yearly intervals, and normally every five years; and should include certain detailed checks as a minimum. The practice in the Royal Air Force regarding interviews with the subject himself should be brought into line with that obtaining in the other two Services.

Government Response

The Government accept this recommendation, much of which accords with present practice, subject only to further consideration of the practicality of implementing the checks involved.

(q) Recommendation

As at present, Ministers should not be subject to PV clearance, but should on appointment to a Department be given specific instructions upon security problems and procedures.

Government Response

The Government agree with this recommendation, and will maintain existing practice in the matter.

(r) Recommendation

The present arrangement, whereby special advisers to Cabinet Ministers are required to be positively vetted, should be retained, and, in addition, when special advisers may be appointed by other Ministers, they should be required to submit to a form of vetting commensurate with their access to classified information.

Government Response

The Government accept this recommendation.

(s) Recommendation

Consideration should be given to the feasibility of introducing a record check, akin to that used by the UKAEA, for specialist advisers to the Select Committee on Defence and Foreign Affairs and to certain other Select Committees where they would have access to CONFIDENTIAL information; unless they have been previously Positively Vetted, as may well be the case with some of them. But no specialist adviser should be given regular and constant access to TOP SECRET information or any access at all to information which by agreement with any of our allies is confined exclusively to persons with PV clearance.

Government Response

The Government agree with this recommendation and will explore the possibility of implementing it with the Parliamentary authorities.

(t) Recommendation

Responsibility for evaluating the various forms which the threat to information stored or processed electronically may take should be placed upon a senior Committee reporting directly to those responsible for formulating policy on all aspects of security and for co-ordinating its application; and the closest possible liaison should be maintained with experts in this field including those in the United States of America.

Government Response

The Government accept this recommendation.

Security
Cab 2

Security

file

JR



10 DOWNING STREET

From the Principal Private Secretary

RESTRICTED

SIR ROBERT ARMSTRONG

SECURITY COMMISSION REPORT

I have shown the Prime Minister your minute A06983 of 21 December 1981 about the Security Commission report. She has taken note of it and looks forward to receiving further advice from you on the report.

In the meantime she has written to Lord Diplock, Lord Bridge and Lord Allen on the lines of the draft attached to your minute, and I enclose copies of her letters to them.

JW

23 December 1981

ds



MFJ

10 DOWNING STREET

THE PRIME MINISTER

23 December 1981

Dear Lord Diplock

The Security Commission

I am writing to thank you and your colleagues Lord Bridge and Lord Allen most sincerely for the report which you have now sent me.

When I asked you to undertake this task, I recognised that it would be a considerable extra burden for you, and I very much appreciate your willingness to tackle it and the speed and thoroughness with which you have completed the work.

I am having your recommendations urgently considered, and when the Government are ready to make an announcement I will let you know.

*Yours sincerely
Margaret Thatcher*

The Right Honourable the Lord Diplock.

ds



WJ

10 DOWNING STREET

THE PRIME MINISTER

23 December 1981

Dear Lord Bridge

The Security Commission

I am writing to thank you and your colleagues Lord Diplock and Lord Allen most sincerely for the report which you have now sent me.

When I asked you to undertake this task, I recognised that it would be a considerable extra burden for you, and I very much appreciate your willingness to tackle it and the speed and thoroughness with which you have completed the work.

I am having your recommendations urgently considered, and when the Government are ready to make an announcement I will let you know.

Yours sincerely

Raymond Richards

The Right Honourable the Lord Bridge of Harwich.

dl



MAJ

10 DOWNING STREET

THE PRIME MINISTER

23 December 1981

Dear Lord Allen.

The Security Commission

I am writing to thank you and your colleagues Lord Diplock and Lord Bridge most sincerely for the report which you have now sent me.

When I asked you to undertake this task, I recognised that it would be a considerable extra burden for you, and I very much appreciate your willingness to tackle it and the speed and thoroughness with which you have completed the work.

I am having your recommendations urgently considered, and when the Government are ready to make an announcement I will let you know.

Yours sincerely

Robert Thatcher

The Lord Allen of Abbeydale, G.C.B.

dl

SECRET

Prime Minister.

4

You need only take note of this
minute.

The letter to Lord Diplock is
attached for your signature.

AKH
2/xii

Ref. A06983

MR. WHITMORE

*Amend
in*

Security Commission Report

Thank you for your minute of 16th December, in which you seek advice on the handling of the Security Commission report. I hope that, as a first step, the Prime Minister will agree to send Lord Diplock and his colleagues a short letter of thanks, along the lines of the attached draft.

2. I see no need for the Prime Minister to make an immediate announcement. Following the terms of her statement on 26th March, she will wish in due course to make as full a statement as possible on the Government's reactions; this will not be possible before the Recess but I think we should aim at a statement as soon as possible after the House resumes.

3. A preliminary reading suggests that the majority of the recommendations which the Commission make are sound and uncontentious, and that there should therefore be no difficulty in accepting them. I have set up an interdepartmental Working Group of officials to examine the issues closely and urgently, with a view to the Official Committee on Security submitting recommendations to her and the other Ministers concerned.

4. There are, however, two points of obvious and greater difficulty. The first is the question of publication. Precedents, especially that of Radcliffe in 1962, would point to the publication of an edited version of the report, but I understand that Lord Diplock, who would normally need to be consulted, might well refuse to agree to the substantial deletions that we would probably wish to make. We should also have to consult the Leader of the Opposition about the deletions. The alternatives would be to publish in full (without the annexes) or for the Prime Minister to explain in her statement that publication is not possible on grounds of national security. This issue will also need to be discussed by the Official Committee on Security and by the Ministers concerned.

5. The second difficulty is the recommendation that the Secret Intelligence Service and the intelligence-gathering activities of GCHQ should be publicly avowed in the broadest of terms. The Security Co-ordinator, Sir Antony Duff,

SECRET

SECRET



is chairing a group which will advise on the full implications of accepting this recommendation, and I shall put a submission to the Prime Minister on this separately.

RA

ROBERT ARMSTRONG

21st December, 1981

SECRET



DRAFT LETTER FROM THE PRIME MINISTER
TO THE RT HON THE LORD DIPLOCK

The Security Commission

I am writing to thank you and your colleagues Lord Bridge and Lord Allen most sincerely for the report which you have now sent me.

When I asked you to undertake this task, I recognised that it would be a considerable extra burden for you, and I very much appreciate your willingness to tackle it and the speed and thoroughness with which you have completed the work.

I am having your recommendations urgently considered, and when the Government are ready to make an announcement I will let you know.

I am sending copies of this letter to Lord Bridge and Lord Allen.



10 DOWNING STREET

THE PRIME MINISTER

Dear Lord Diplock,

The Security Commission

I am writing to thank you and your colleagues Lord Bridge and Lord Allen most sincerely for the report which you have now sent me.

When I asked you to undertake this task, I recognised that it would be a considerable extra burden for you, and I very much appreciate your willingness to tackle it and the speed and thoroughness with which you have completed the work.

I am having your recommendations urgently considered, and when the Government are ready to make an announcement I will let you know.

~~I am sending copies of this letter to Lord Bridge and Lord Allen.~~

Send a letter properly
signed to each of
them

Yours sincerely

The Rt. Hon. The Lord Diplock

TOP SECRET

*of Surely the names
of some of the
witnesses should not
be published.
? Apprehensions?
not*

3A

PRIME MINISTER

Report by the Security Commission

You may care to glance through the attached copy of the Report by the Security Commission on the review of the security procedures and practices currently followed in the public service which you announced in your statement on 26 March 1981 you were setting up in the wake of the allegations contained in Mr. Chapman Pincher's book. Unfortunately although the Commission summarise their conclusions at the end of their Report (pages 18-19), they have not consolidated their recommendations in a single list and instead ~~they~~ ^{have} left them scattered through the text of the Report. They are however printed in heavy type and are therefore easily picked out.

I have asked for advice on both the substance and the handling of the Report. I suspect that handling may prove more difficult than the substance. In your statement on 26 March you said of the Commission's review:

"It will be my intention to make its findings known to the House in due course, to the extent that it is consistent with national security to do so."

I gather that the Commission are quite anxious to see their Report published virtually complete (despite its present grading of Top Secret). But one major hurdle we shall have to jump before there can be any question of publication is the fact that the Report is sprinkled with references to the SIS, and if these remain in a published document, the Government will be avowing the existence of the SIS for the first time. This may be something which you and your colleagues will decide that you are ready to do, particularly since there have now been many public references to the existence of the SIS in recent years, not least those made by Mr. Callaghan and Mr. Merlyn Rees in the debate on Blunt. But it will still be a big step, and I guess that the SIS itself will be opposed to it (though the Security Service, whose existence has of course been avowed for many years, will be all in favour, since they would love nothing more than to see the SIS put on the same footing as themselves).

AW.

18 December 1981

TOP SECRET

SECRET

jfh

3

sg

Security

SIR ROBERT ARMSTRONG

The Security Commission

We have received today from the Security Commission the report of their investigation of the security procedures and practices currently followed in the public service which the Prime Minister announced in the House on 26 March 1981. I understand that a copy of the report has already been sent to you.

I should be grateful if you could let the Prime Minister have, as soon as possible, advice on the Security Commission's conclusions and recommendations and on the handling of their report.

CAW

16 December 1981

SECRET



Covering TOP SECRET

2A

Management and Personnel Office

Whitehall London SW1A 2AZ

Telephone (Direct dialling) 01-273 5721 w 4325
GTN 273 (Switchboard) 01-273 3000

C A Whitmore Esq
Principal Private
Secretary
10 Downing Street
LONDON SW1

Your reference

Our reference

Date

16 December 1981

Dear Mr Whitmore,

THE SECURITY COMMISSION

I attach a copy, and a spare, of the Report of the Security Commission following their investigation, announced by the Prime Minister in the House on 26 March. I have sent a copy to Sir Robert Armstrong. A restricted number of copies will be circulated tomorrow to others who need to know.

*attached to letter
in folder at rear of Paul*

Yours Sincerely

Paul Adams James

P A James
Secretary, Security Commission

ENC

Covering TOP SECRET

TOP SECRET

COPY NO 2

REPORT OF THE SECURITY COMMISSION

December 1981

Diplomat / Area / Bridge

16.12.81

TOP SECRET

CONTENTS

	Page No
INTRODUCTION	1
The Threat	2
CLASSIFICATION	2
The Classification System and Personnel Security	2
Security Classification of Information	3
Over-Classification	4
THE VETTING SYSTEM	5
Normal Vetting	5
Positive Vetting	7
- Homosexuality as a bar to PV Clearance	8
- Appeal to the Three Advisers	9
- The Number of PV Posts	9
- Quinquennial Review of PV Clearance	10
- Home Civil Service Departments excluding MOD	10
- Ministry of Defence	11
- The Armed Forces	11
- The Foreign and Commonwealth Office (Diplomatic Service)	11
SECRET INTELLIGENCE WORK	12
Recruitment to Security Service and SIS	13
Review of Positive Vetting	13
THE POLICE	14
ATOMIC ESTABLISHMENTS	14
LIST X FIRMS	15
MINISTERS	15
Parliamentary Private Secretaries	15
Special Advisers to Ministers	15
SPECIALIST ADVISERS TO HOUSE OF COMMONS SELECT COMMITTEES	15
CHANGES IN LEGISLATION SINCE RADCLIFFE	16
- Nationality Law	16
- Employment Legislation and Anti-discrimination Legislation	16
PHYSICAL SECURITY OF CLASSIFIED MATERIAL	17
COMPUTERS AND OFFICE AUTOMATION	17
CONCLUSIONS	18
APPENDIX A: RECRUITMENT AND PERSONNEL MANAGEMENT IN THE SECRET AGENCIES	
APPENDIX B: SPECIALIST ADVISERS TO HOUSE OF COMMONS SELECT COMMITTEES	
APPENDIX C: LIST OF WITNESSES	

PRIME MINISTER

INTRODUCTION

1. In your letter of 6 April 1981, you asked the Security Commission "to review the security procedures and practices currently followed in the public service and to consider what, if any, changes are required".
2. These terms of reference are the same as Part I of the terms of reference of an *ad hoc* Committee on Security Procedures in the Public Service under the Chairmanship of Lord Radcliffe ("the Radcliffe Committee") which was appointed in May, 1961, and reported in November of that year, except that their terms of reference made specific mention of "recent convictions for offences under the Official Secrets Acts" in the light of which their review was to be undertaken. This was a reference to the notorious Portland spies, two of whom had been civilian employees of the Admiralty, and to a former member of the Secret Intelligence Service (SIS), George Blake. The investigation of the security issues involved in the Blake case formed Part II of the Radcliffe Committee's Report, ("Radcliffe") and Part III related to the procedure for D Notices. A heavily edited and expurgated version of Part I of Radcliffe, which also incorporated Part III of it verbatim, was published in April, 1962, under the title "Security Procedures in the Public Service."
3. The occasion of the present reference to the Security Commission was the publication of Mr Chapman Pincher's book "Their Trade is Treachery". This dealt with a number of cases of proven or suspected disclosure of highly sensitive secret information to the Soviet bloc intelligence services by persons who had been recruited to the Foreign Office or one of the Secret Services (SIS and the Security Service) many years before the improvements recommended in Radcliffe had been put into effect and for the most part before even a rudimentary form of Positive Vetting, for those with access to particularly sensitive information, was first introduced in 1952.
4. It does not fall within our terms of reference to examine once again allegations against individuals who now are either dead or have long ago been publicly exposed. As mentioned in your speech in which the current reference to the Security Commission was announced in Parliament, the cases with which Mr Chapman Pincher's volume deals have all been the subject of intensive examination and re-examination in the utmost detail and no useful purpose could be served by our going yet again over the same well-trodden ground.
5. Like Radcliffe, we have taken "security" in our terms of reference to mean the safeguarding of such information in the possession of the Government as would by its unauthorised disclosure cause injury to the interests of the country. (Information which falls within this description we shall refer to under the generic description "classified information".) Thus, our Report does not cover the protection of Government buildings or their contents or vital installations against sabotage or terrorist attack, although it does cover physical precautions for denying access to classified information by unauthorised persons.
6. We have regarded our task as best performed by re-examining Radcliffe in the light of the experience of the last twenty years, and the changes that have occurred during that period (1) in the nature of the threat against which security precautions are directed, (2) in changes of attitudes among the public, the media, and the Civil Service itself, (3) in legislation, and (4) in technology, including particularly the use of computers and other forms of office automation.
7. In carrying out this task, we have used the unexpurgated version of Part I of Radcliffe, which differs considerably from the published version, and of which only a few copies still remain in existence. Although the extant copies are still classified as TOP SECRET, the recommendations contained in the unexpurgated Radcliffe, with only a few insignificant exceptions, have been fully implemented. They can be found in the pages of the Manual of Personnel Security Measures and its sixty-one annexes upon a careful and persevering perusal of those documents. Because they are accessible elsewhere we do not find it necessary to reproduce the Radcliffe recommendations here, but **we strongly recommend that this Manual and its companion volume, Security in Government Departments, should be re-arranged, re-edited, and in many parts, re-written, so that each of the instructions they contain can be readily found and understood by those who have to comply with them.** We understand that this task is now in train.

8. Before embarking upon a more detailed consideration of the changes that have taken place since 1961 to which we have referred above, we think it right to state at once our general impression that, subject to what we have to say later about the need for an urgent evaluation of the risks involved in electronic information processing and the means of countering them, the security procedures in the public service as they have been applied since Radcliffe have worked well. Provided always that they continue to be applied conscientiously, we see no major reason for disquiet. Occasional failures there are bound to be as a result of human cupidity, laziness or error. Slackness in observance of routine precautions may affect individuals or even whole branches of departments, as happened in the case of the indeterminable number of magnetic tapes which disappeared from the Ministry of Defence between 1976 and 1979, on which we reported as recently as May 1981 (Cmnd 8235). The very success of counter-espionage precautions makes it more difficult to maintain general awareness in the public service of the seriousness of the threat to which failure to observe them would expose this country. A sensational spy case, such as those which were the occasion of the appointment of the Radcliffe Committee, would no doubt provide the necessary stimulus to greater diligence in observing the prescribed procedures on the part of those members of the public service who find them time-consuming and tedious; but this would be too high a price to pay, and we can only echo Radcliffe in urging the importance of educating and regularly reminding all public servants who have access to classified information about the gravity and reality of the threat.

The Threat

9. As was to be expected having regard to the occasion of its appointment, Radcliffe identified the most serious threat as being external; the intelligence activities of the secret services of foreign states and in particular those that formed part of the Soviet bloc. The internal threat Radcliffe regarded as relatively minor and as coming from subversive organisations within Great Britain with ideological ties or sympathies with the Soviet bloc. Of these the only one that then called for special mention was the Communist Party of Great Britain (CPGB).

10. Now, twenty years later, the external threat from Soviet bloc intelligence services, although it has been contained with greater success than before 1961, remains, in our view, undiminished in its potential strength if precautions were to be relaxed. Radcliffe rightly regarded this as over-shadowing any threat from the intelligence services of other foreign powers, though the existence of such threats was recognised as at least an occasional possibility. However, the external threat, in the atomic field in particular, may have expanded somewhat since 1961 to include, among others, non-aligned countries desirous of obtaining the necessary know-how to enable them to manufacture for themselves the most up-to-date types of nuclear weapons.

11. The internal threat, on the other hand, has altered considerably since Radcliffe. It has become more varied and viewed as a whole we consider it to have grown more serious. The threat offered by the CPGB, upon which Radcliffe concentrated, has probably diminished as a result of the fall in the number of its members and the disillusionment of many of them with Soviet policy since 1961 in invading Czechoslovakia and, more recently, Afghanistan. The fall in CPGB membership, however, has been accompanied by proliferation of new subversive groups of the extreme Left and extreme Right (mainly the former) whose aim is to overthrow democratic parliamentary government in this country by violent or other unconstitutional means, not shrinking in the case of the most extreme of groups from terrorism to achieve their aims. Membership of individual groups is small, but for the most part, active and conspiratorial. They might well seek to make public information injurious to the interests of this country, not at the behest or for the benefit of any foreign power, but simply to harm this country itself, whether by causing a rift between it and its allies or otherwise, and by these means to weaken its defences against the overthrow of democratic government here by force.

CLASSIFICATION

The Classification System and Personnel Security

12. The aim of both personnel and physical security is a limited one: to prevent the disclosure of information acquired by a public servant in the course of his official duties to anyone who would be likely to use it to the injury of this country in any of the ways discussed above. The method used is to deny access to such information by persons whose loyalty and reliability have

not been confirmed by previous investigation, the thoroughness of the investigation depending upon the classification accorded to the information to which they are to be given access. The system of classification adopted thus lies at the root of security procedures in the public service. The importance of non-access as the most reliable of protective measures has increased considerably since Radcliffe. The growing reluctance of successive Attorney-Generals to prosecute under section 2 of the Official Secrets Act over the last decade has rendered criminal sanctions against unauthorised disclosure almost a dead letter, except in cases of deliberate espionage. The movement in popular opinion, fostered by the media, in favour of what is beguilingly termed "open government" and the adoption of aggressive "investigative journalism" by the press, including some newspapers with a reputation for acting responsibly, have weakened the moral sanction against disclosure by public servants of confidential information acquired in the course of their public duties, as witness the number of "leaks" that have occurred in recent months. Use of the remaining sanction, dismissal from the public service for a disciplinary offence, raises problems in connection with employment legislation and the increasing activism of some of those trade unions by which white-collar civil servants are represented.

Security Classification of Information

13. The classification of information, access to which should be restricted to those only who need to know it, lies at the very root of all security procedures. The principal current classifications in use in the United Kingdom, together with their definitions are:-

TOP SECRET	Information and material the unauthorised disclosure of which would cause exceptionally grave damage to the nation.
SECRET	Information and material the unauthorised disclosure of which would cause serious injury to the interests of the nation.
CONFIDENTIAL	Information and material the unauthorised disclosure of which would be prejudicial to the interests of the nation.
RESTRICTED	Information and material the unauthorised disclosure of which would be undesirable in the interests of the nation.

The security classification system itself, as distinct from "privacy markings", is complicated by the addition of a number of categories of information relating mainly, though not exclusively, to defence which are the subject of agreement with a variety of our allies, particularly the United States, and on their insistence are accorded a higher degree of protection from any access than is required for occasional access to TOP SECRET material of a more general kind.

14. Alongside the four official security classifications, there have come into use since Radcliffe a number of additional markings described in the current manual "Security in Government Departments" as "privacy markings". A privacy marking that is commonly in use in a number of departments contains the words "In Confidence" accompanied by some other expressions specifically limiting disclosure, such as "Staff In Confidence" or "In Confidence - Named Distribution Only". In those departments which are the recipients of sensitive commercial or industrial information that requires protection against unauthorised disclosure, the privacy marking "Commercial in Confidence", with or without the additional of "Named Distribution Only", is in general use and is the subject of instructions in Appendix O of Security in Government Departments. Other forms of privacy markings, and the nature of precautions taken to protect them from unauthorised disclosure, lack uniformity and are left to be determined by individual departments.

15. The descriptions of material which falls into one or other of the four main categories by reference to the degree of harm that would be caused by its unauthorised disclosure are couched in wide terms which call for the exercise of individual judgment on the part of the originator of material as to the category in which it properly falls, and, without further guidance, it would seem inevitable that there would be wide divergences in the way in which the judgments of individual originators were exercised. As responsibility for security within each department lies with the department itself, each has provided for the guidance of its own members examples of the application of the classification to the kinds of material with which that particular department is accustomed to deal.

16. For the purposes of personnel security, the most important dividing lines are between TOP SECRET and SECRET, and between CONFIDENTIAL and RESTRICTED, for these determine what type of vetting, if any, must be applied to those persons who, in the case of TOP SECRET material, have **regular and constant** access to it and in the case of material that is classified as CONFIDENTIAL or above have **any** access to it. No vetting is required for access to RESTRICTED material by those members of the public service who have been recruited in the United Kingdom, but staff locally recruited in communist countries must not be given access to it. This is not to say that the distinction between SECRET and CONFIDENTIAL is without importance. Physical precautions to be taken in use, storage and transmission are more rigorous and time-consuming for SECRET than for CONFIDENTIAL and, apart from any question of vetting, add to the cost of dealing with material in the higher classification.

Over-Classification

17. Over-classification is, in our opinion, the error that is most commonly committed in carrying out current security procedures. Radcliffe recorded the unanimous opinion of those who gave evidence in 1961 that the security system then was trying to protect too much and suggested, for consideration by departments, various methods by which over-classification might be reduced. The problem has been considered periodically by a series of working parties since then and has been the subject of two reports by distinguished senior ex-civil servants. Nevertheless, we are satisfied that considerable over-classification still persists. This is not only objectionable upon grounds of managerial efficiency and economy; it adds considerably to the expense of the security procedures and the manpower needed to carry them out. It also tends to weaken the efficiency of the procedures by bringing them into disrepute not only with the press and the public generally, but also with those civil servants themselves whose duty it is to carry them out and upon whom the effect of obvious over-classification cannot be other than to encourage laxity.

18. To give but one example, which strikes us as unnecessary, there is the classification as SECRET or CONFIDENTIAL of the mere fact of the existence of Cabinet committees with the consequence that any document which refers to a Cabinet committee must bear that classification even though the information itself which the document is intended to convey does not warrant any security classification. The existence of Cabinet committees is a matter of public knowledge. It is often referred to in the press to which hostile intelligence services can have recourse if the information is of any interest to them.

19. The descriptions of the four main categories of classified information now in force are the result of a revision undertaken after Radcliffe in 1962. Prior to that, the description CONFIDENTIAL included information the disclosure of which to unauthorised persons "would cause administrative embarrassment or difficulty". These words on Radcliffe's recommendation have now been eliminated from the definitions. Nevertheless, the list of current examples of the application of the classification system which was issued for the guidance of civil and defence departments and is published as Appendix A in Security in Government Departments, and also those examples which appear in the guidance given to members of their own staffs by individual departments, still include instances of material which has no bearing on (1) defence, (2) foreign relations, or (3) intelligence, counter-intelligence or anti-subversive operations undertaken by the United Kingdom organisations to which we shall refer collectively as "secret intelligence work".

20. These three matters clearly qualify for inclusion in the higher categories of classified information. Some other matters also, such as emergency plans by government to deal with strikes or disruptive action in the essential services or industries, measures to be undertaken which will affect the rate of exchange, Budget proposals before their announcement and other proposed measures, where premature disclosure would defeat their effectiveness or enable those individuals to whom they were disclosed in advance to profit financially (to give but a few examples), also merit some degree of classification higher than RESTRICTED. But we are satisfied that several of the examples, the application of which must be responsible for the classification of many documents dealt with by departments as CONFIDENTIAL or above in the Home Civil Service, are really directed to the avoidance of political or administrative embarrassment despite Radcliffe's condemnation of the use of the classification system for this purpose.

1. In this connection the current climate of opinion in favour of "open government" to which we have referred provides an added reason for not classifying material as CONFIDENTIAL or above instead of as RESTRICTED or under a privacy marking only, merely because its disclosure to the public through the media might cause political or administrative embarrassment. To confine access to such material to public servants who had passed the Normal Vetting process only would not, in our view, provide a solution to the problem of "leaks". Normal Vetting brings to light only criminal convictions and evidence of tendencies hostile to this country or to its constitutional system of democratic parliamentary government. Those persons who are likely to leak to the public information obtained in the course of their duty as civil servants, which they are under a contractual obligation not to disclose, are just as likely to be those who leak such information to the media, either upon their own initiative or at the instigation of investigative journalists, out of a desire to promote the popular cause of more "open government".

22. We recommend and regard it as important that the Official Committee on Security should conduct a thorough review of the classification system. This should include a rigorous revision of the examples which are given in Appendix A to Security in Government Departments and those included in the additional guidance given to their own staff by individual departments, with a view to de-grading to RESTRICTED or to privacy markings, of information where the reason for its being classified is political or administrative embarrassment that its disclosure to the public would cause. As respects material still meriting classification as CONFIDENTIAL or above after the removal of politically or administratively embarrassing information to the RESTRICTED security category or to privacy markings only, consideration could usefully be given once again in each department to the grade within the service at which an officer should have the power to originate material in each of the three higher classifications. Where the need to prevent an unauthorised disclosure is only temporary, as may often be the case outside the fields of defence and secret intelligence work, consideration could also be given to the possible advantage in the originator of such classified material recommending a period after which de-classification would be automatic.

THE VETTING SYSTEM

23. Radcliffe refers to two kinds of security clearance of personnel:

a. Normal Vetting (NV) which in general is **covert** and applied to all persons who have any access to material classified as CONFIDENTIAL or above, and are members of the public service in a civilian capacity or of the armed forces, or the police, or the United Kingdom Atomic Energy Authority (UKAEA) or are employees of British Nuclear Fuels Limited (BNFL) or of any firm of contractors engaged on government contracts (List X firms); and

b. Positive Vetting (PV) which is largely an **overt** process and is applied to those persons in any of the categories mentioned above and who, at any rate in theory if not always in reality, have regular and constant access to material classified as TOP SECRET.

c. Since Radcliffe there has been introduced a variety of NV known as "Full Record Check" that is **overt** and, on the insistence of the USA with whom much atomic information is shared, is applied to all recruits by UKAEA and BNFL. It is applied also to recruits to police forces. The only way in which this differs from ordinary NV is that the applicant for employment is required to fill in a written questionnaire in the same form as that which is used in PV and is thus made aware that he is being subject to vetting.

Normal Vetting

24. The nature of NV is described in Chapter II of the Manual of Personnel Security Measures, but there are no comprehensive statistics about its extent. The number of posts in the non-industrial Home Civil Service, for which NV is required, is estimated to be about 180,000, ie one-third of all Home Civil Service posts. This number might well be considerably reduced if our recommendation for removing from the security classifications of CONFIDENTIAL and above, information the disclosure of which to the public would cause political or administrative inconvenience, is vigorously pursued; but paucity of statistics makes it impossible to predict the extent of the reduction.

25. In addition there are 12,500 NV posts in British Telecommunications, and about 1,000 in the Post Office. In the armed forces, NV is applied to all officers, and in the Navy and Royal Air Force to the majority of other ranks as well, requiring some 203,000 clearances in all. In 1980 NV was applied to 12,200 employees of List X firms.

26. We were surprised by the limited nature of the information about individuals which is disclosed by Normal Vetting. It is restricted to an examination of departmental records for evidence of unsuitability, to a search by the Security Service for any traces of suspected disloyalty to this country or membership or active support of any subversive organisation, and to a search by Scotland Yard for any previous convictions of reportable offences which the subject of the check may have committed and are recorded against him in what used to be called the Criminal Record Office (CRO) but has been re-named the National Identification Bureau (NIB).

27. Out of nearly 300,000 NV checks in 1980, only 540 (0.19%) were given adverse assessments by the Security Service, but a substantially higher proportion, some 1.16%, had previous convictions for reportable offences recorded against them in NIB.

28. **We have naturally considered whether, in the light of these results, NV is worth continuing. We have, however, no doubt that it is. The cost of NV is relatively small, about £6 per submission. The time taken to complete the check is short and although when stated as a percentage of the total number of checks undertaken the number of persons debarred from access to classified material may look small, the actual number of individuals involved is not inconsiderable and any single one of them may be capable of causing serious injury to the interests of the nation.**

29. A possible weakness in the NV system results from the historical anomaly that, while the Security Service is responsible for maintaining records of members and supporters of subversive and terrorist organisations in the United Kingdom, other than those concerned with Irish Republican extremism, the Special Branch of the Metropolitan Police is responsible for maintaining these records in relation to Irish Republican extremism. The Special Branch records are not checked as a matter of routine in all cases, but only if the Security Service in the course of its own check perceives what it considers to be an "Irish connection". There are no hard and fast rules as to what constitutes an "Irish connection", but the guidance given to those responsible in the Security Service for deciding whether or not to check the Special Branch records in an individual case seem to us to be sensible and reasonable. We accept that the disproportionate cost and sheer volume of work involved rule out that all NV cases should include a Special Branch check, but we think that attention should be directed to the risk of a slip-up between the two organisations which could result in suspected Irish terrorists or their sympathisers remaining un-identified by NV. **We recommend that the Home Office should, as a matter of urgency, consider carefully the relations between these two bodies with a view to seeing whether anything further needs to be done to reduce that risk to a minimum.**

30. We have also considered whether NV ought still to remain covert. The risk involved in not informing the subject of an NV check who has not obtained clearance of the reason for his NV failure is the possibility, remote though it may be, of a mistake by the Security Service or the NIB as to his identity. If he were informed of the reason for his failure he would have the opportunity of clearing himself by correcting the error.

31. There is thus some risk of an injustice being done to some individuals although we are satisfied that the precautions taken to establish the identity of the subject of any NV check make the risk very small indeed. It is one which we consider must be accepted in the interests of the nation. Little harm would be done by revealing that failure was due to previous convictions recorded against him by NIB although some might suspect that the police check was not limited to convictions as such. Previous convictions in fact constitute the reason for some six out of seven NV failures; but if any of them were to be given on request reasons for their failures, it would not be possible in an increasingly actively trade unionised service to give reasons in some cases and to refuse them in others. In most of that minority of cases in which the failure resulted from a Security Service check, it might well be that reasons could not be given without disclosing information in the possession of the Security Service obtained from highly sensitive sources, which would endanger those sources or at least prejudice their future usefulness. This seems to us to be a conclusive reason why NV should continue to be covert and the nature of the NV check should not be disclosed - even though it must be widely realised that some sort of check of a person's antecedents is likely to have been made. **We recommend that consideration should be given to withdrawing Annexes 59 and 60 of the Manual of Personnel Security Measures which give to departments a limited discretion to disclose to the individual concerned who was under consideration for an NV post, not only the fact that he was rejected on security grounds but also in some cases the reason for his failure.**

32. In reporting to departments the result of its security check in NV cases, the Security Service either states that there is no security objection or uses one of three formulae, A, B, and C, according to the degree of suspicion which the Security Service records raise as to the loyalty or subversive sympathies of the subject of the check. These formulae are set out in Annex 12 of the Manual of Personnel Security Measures. They range from advice that the subject should **not** have access to information classified as CONFIDENTIAL or above, to advice that the information about the subject in the Security Service's records should not necessarily debar him from access to information classified as CONFIDENTIAL or above, but that the department may prefer to make other arrangements if particularly delicate information is involved.

33. We regard it as important that whenever formula A, B or C is used, the department concerned should inform the Security Service as soon as practicable of the action it has taken in relation to the subject of the check. The Security Service's standard letter to departments asks that this should be done, but we are not satisfied that departments do in all cases comply with this request or, if they do eventually, do so with reasonable promptitude. **We recommend that the importance of keeping the Security Service informed of the action they have taken in response to the Security Service's advice should be drawn to the attention of all departments.**

Positive Vetting

34. The nature of the procedures followed in PV are set out in Chapter III of the Manual of Personnel Security Measures. Compared with NV, it is an expensive and time-consuming process, but if properly carried out it does expose, as NV fails to do, "character defects" which render uncertain the subject's trustworthiness or discretion, or his ability to resist pecuniary temptation or exposure to blackmail. It is character defects rather than disloyalty for ideological reasons or subversive tendencies (which should have come to light on NV checks) that have been the cause of all known cases of disclosure of information to hostile intelligence services that have occurred since Radcliffe. PV, however, has three disadvantages:-

a. As already mentioned it is expensive, particularly in the use of manpower in the field-work undertaken by investigating officers in interviewing the subject of the PV check and his referees. The average cost of field-work alone is estimated at some £700 per investigation and this in our view is probably an under-estimate.

b. The PV process involves considerable time, its completion averaging three months or more in ordinary cases, though in cases of urgency the process can be carried through much more expeditiously than that. In those departments or services, viz the Foreign and Commonwealth Office, and the three services engaged in secret intelligence work, the Security Service, the Secret Intelligence Service (SIS) and Government Communications Headquarters (GCHQ), where, with relatively minor exceptions, all candidates for recruitment have to be PV'd, the delay may result in the loss of valuable recruits especially those with specialised qualifications who accept other offers of employment during the waiting period.

c. In a department in which there are many PV posts, the failure of a member of the staff of the department to obtain PV clearance upon transfer to a PV post may block his chances of promotion and, under the existing rules, would prevent his reaching the grade of under-secretary or above. In any event it may well affect adversely the prospects of his career in lower grades of the public service, although it would appear that, in the majority of cases in the Home Civil Service, it has been found possible by good management to avoid this result, as the paucity of appeals against refusal of PV would appear to show. In fully PV'd departments, however, the withdrawal of PV for a character defect may well mean that the officer may be compelled to accept early retirement unless it is found possible to transfer him to a non-PV post of an appropriate grade in the Home Civil Service.

35. The criteria of unfitness for a PV post are if there is evidence:

I. that the subject or his spouse, or his parent or guardian with whom he is or has recently been living

a. has been involved in an act of sabotage, espionage, treason, sedition, or any breach of the provisions of the Official Secrets Acts;

THIS IS A COPY. THE ORIGINAL IS
RETAINED UNDER SECTION 3 (4)
OF THE PUBLIC RECORDS ACT

- b. has been an associate of suspected spies or saboteurs;
 - c. has any connections with a subversive organisation;
- II. that the subject himself
- d. has grossly infringed security regulations;
 - e. falsified an application form or a security questionnaire;
 - f. has been convicted of a criminal offence indicating habitual criminal tendencies or serious character deficiencies;
 - g. has shown himself by act or speech to be unreliable, dishonest, untrustworthy or indiscreet;
 - h. has engaged in infamous, immoral or disgraceful conduct;
 - i. has significant financial difficulties;
 - j. has been an alcohol or drug addict;
 - k. has suffered from any illness which might affect his judgment;
 - l. is a homosexual and therefore vulnerable to a blackmail approach;
 - m. has been held captive or interned for a substantial period in Communist hands;
 - n. does not conform to the nationality rule of the department concerned.

36. The criteria listed under I and II.d are security reasons for refusing PV. In contrast those listed under II m. and n. are sometimes described as defects of circumstance. The rest of those listed under II are referred to as character defects.

Homosexuality as a bar to PV clearance

37. The most controversial of the character defects is male homosexuality because of the change in English law and public opinion on this subject that has taken place in the post-Radcliffe years. It is claimed that an unconcealed, acknowledged and stable relationship in England and Wales with another consenting adult of the same sex in which no homosexual acts take place in public no longer involves a party to such a relationship in any vulnerability to blackmail and thus does not constitute a security risk in officers whose service is confined to these countries. Homosexual relationships between consenting male adults are, however, still offences against the criminal law of a number of foreign states to which persons serving in the Diplomatic Service and the services engaged in secret intelligence are liable to be posted,

In these services we recommend that homosexuality, even if acknowledged, should continue to be a bar to employment in any PV post though an exception might be made for officers employed by GCHQ for specialist work which will not involve their ever being posted outside England and Wales. In the armed forces, homosexual acts, even between consenting adults, are disciplinary offences rendering the perpetrator liable to compulsory discharge. Here too we recommend that homosexuality must, on security grounds, remain a bar to appointment to a PV post.

38. Homosexual tendencies may remain latent only or may manifest themselves in so broad a gamut of forms from inconspicuous stable relationships through promiscuity or exhibitionism to paederasty that we consider that, in the Home Civil Service, homosexual inclinations or relationships should not necessarily be treated as an absolute bar to PV clearance, but should be dealt with on a case to case basis, paying particular attention to whether the way in which the individual has indulged his homosexual tendencies casts any doubt upon his discretion or reliability.

39. Since PV is overt an officer knows that he is being PVd and where the reason for his failure is a character defect he may well have appreciated from questions put to him by the investigating officer what the character defect alleged against him is. The decision to refuse PV is taken by the department in which the officer is serving. The level at which it is taken varies from department to department and does not involve the permanent head of department. From this decision, if it is based on character defect, there is a right of appeal to the permanent

head of department at which the officer may, if he wishes, be represented by a "friend" who may be a trade union official. It was suggested to us by the Trade Union Side of the Diplomatic Service Whitley Council that it would be helpful if, in the event of an appeal, the officer were, if he so requested, given a written statement of the allegations made against him, though not the sources of the information on which the allegations were based. If this is not already the regular practice in all departments, **we recommend that it should be adopted in every case of appeal against refusal of PV on the grounds of character defect, except perhaps where the defect consists of mental instability of which it might be harmful to the subject's own mental health to inform him.**

Appeal to the Three Advisers

40. Where the refusal of PV is for security reasons there is a right of appeal to the Three Advisers who currently consist of two retired permanent secretaries of departments of the Home Civil Service and a former Secretary-General of the Civil Service National Whitley Council Staff Side. The procedure and the terms of reference of the Three Advisers are set out in Annex 33 of the Manual of Personnel Security Measures. This has become out of date in the light of the changes in the threat which have occurred since 1961, of which we have spoken above. The Three Advisers have not in fact sat on an appeal since 1969; which reflects the fact that character defects rather than security reasons have provided the grounds on which PV has been refused. Nevertheless, **we consider that a right of appeal to the Three Advisers should still be retained in future cases, if there should be any, on which PV is refused on security grounds. But we consider that the composition of this appellate body should be altered and in particular that the chairman should be a member of the judiciary.**

41. In theory there is a right of appeal to the Three Advisers when an employee of a List X firm has been refused PV clearance on grounds of character defect, as well as where the refusal has been for security reasons. This right of appeal is not referred to in the published Radcliffe. It has never been used and appears to be unknown. We regard it not only as an anomaly but also undesirable. If an appeal to an independent tribunal against refusal of PV clearance on this ground were known to be permitted in the case of employees of List X firms, we do not doubt that there would be a demand for a similar right of appeal to an independent tribunal in the case of members of the public service also with the loss of flexibility in the way of dealing with the problem by an alternative posting that is characteristic of an "in-house" appeal. **We accordingly recommend that the right of appeal by employees of List X firms to the Three Advisers against refusal of PV clearance on the ground of character defect should be abolished. For the same reasons we recommend that the right of appeal by British subjects employed by international defence organisations to the Three Advisers against withdrawal of PV clearance on the grounds of character defect should also be abolished.**

The Number of PV Posts

42. Altogether, there are about 68,000 posts for which PV clearance is required. Of these 16,600 are in the Home Civil Service, of which all, except some 3,500, are in the Ministry of Defence (MOD), 700 are in British Telecommunications and the Post Office and 3,150 in List X firms. There are 17,200 in the armed forces. The Diplomatic Service has 7,700, and the Security Service, SIS and GCHQ have 11,200 between them. UKAEA and BNFL have 9,100 and the Police (Special Branches) 2,350.

43. We have not been able to obtain reliable statistics of the proportion of cases in which PV has been refused. Those that we have been able to obtain vary between about 1% (UKAEA) and 8% (GCHQ). Of some 2,700 civilians employed by Government contractors and PV'd in 1980 by the Ministry of Defence for the first time, 125 (4.6%) were refused clearance.

44. **We have naturally considered whether this expensive procedure, with its accompanying disadvantages to which we have referred, ought to be continued but, at any rate so far as concerns PV on first appointment to a PV post, we have no hesitation in recommending that it ought.** If the criterion for a PV post, viz the regular and constant access to information classified as TOP SECRET is properly applied, the potential damage to the nation which could be caused if such information were disclosed to the intelligence services of a hostile state in our view justifies the very considerable expense of maintaining the system of PV, which is estimated in 1980 to have been of the order of £6,000,000, and the other disadvantages to which we have referred.

45. Nevertheless, we have the strong impression that departments in the Home Civil Service have been too ready to classify as requiring PV clearance posts which do not really satisfy the criterion of being classified as such. We make below some recommendations for reducing their numbers in the Home Civil Service, but **we also recommend that departments should themselves review each of their existing PV posts with a view to seeing whether the number of them could be reduced.**

Quinquennial Review of PV Clearance

46. The procedure for PV provides for a review of PV clearance at regular intervals, generally quinquennial but in some departments the review is undertaken at ten year intervals only. The extent to which the quinquennial review repeats the procedure followed upon the first PV clearance is subject to considerable variations from department to department. There is no hard evidence that there has been even a single case outside the armed forces in which a quinquennial review has brought to light grounds for withdrawal of PV clearance which would not have been already revealed by incidents that had been reported to the security branch in the department by supervising officers of the holder of the PV post under the system known as "after-care". The principal justification of the system of retaining quinquennial reviews that was suggested to us was that it tended to keep supervising officers on their toes in reporting incidents that might have security significance, if they were aware that they would be required at regular intervals to answer questions by a security investigation officer about any manifestation of character defects on the part of any holder of a PV post that had come to their knowledge.

47. **We recommend that at regular intervals of never more than ten years, but normally of five, there should be a review of PV clearance of holders of PV posts which should include as a minimum -**

- a. a routine check with the records of the Security Service and the NIB (ie a repetition of NV clearance);
- b. the bringing together of the security and personnel files of the PV post-holder and their scrutiny by a member of the security branch of the department; and
- c. reports, either written or oral, from all those who have been supervising officers of the PV post-holder during the period since the last review.

The extent to which this minimum requirement should be expanded to include checks with the local police in the area in which the post-holder lives or oral interviews conducted by security investigation officers with the post-holder himself or his referees, we think should be left to the discretion of the department concerned, although in the case of the services engaged in secret intelligence work we make additional recommendations under that heading.

Home Civil Service Departments excluding MOD

48. The rule that PV clearance as a matter of routine is required of all members of the Civil Service of the grade of under-secretary or above must account for the existence of considerable numbers of PV posts in departments in which material correctly classified as TOP SECRET is only rarely found; and neither under-secretaries nor even officers of higher grade in these departments would in fact satisfy the criterion of having regular and constant access to such material. We appreciate that the underlying reason for the rule is the theory that, in order to make the most effective use of their abilities, civil servants in the higher echelons should be fully transferable within and between departments; but this seems to us to be a wholly inadequate reason for subjecting a civil servant, whatever his grade, to PV clearance until he is required to fill some post in which he will in fact have regular and constant access to TOP SECRET material. **We recommend that this rule, which we regard as being without security justification, should be abandoned.**

49. A similar practice requiring PV clearance of all civil servants of whatever grade serving in the private offices of Ministers seems to us to be likewise unjustified where the Minister is not a member of the Cabinet and is a Minister or a junior Minister in a department where no one is required to have regular and constant access to TOP SECRET information and any access to it is occasional at most. **We recommend that the Official Committee on Security should undertake a review of the private offices of Ministers in the various departments of the**

Home Civil Service where the criterion of regular and constant access to information classified as TOP SECRET is not satisfied, with a view to abandoning the routine requirements of PV clearance of all civil servants posted to them.

Ministry of Defence

50. For obvious reasons the number of PV posts among the civilian staff of MOD would be large even if only the ordinary criterion for PV clearance of **regular and constant access** to TOP SECRET information applied. The number of PV posts is, however, added to for reasons outside MOD's control, by the requirements imposed on the insistence of one or more of our allies that **any** access to material bearing one or other of seven special security markings should be confined to persons holding PV clearance. In addition MOD, in our view rightly, requires PV clearance for all investigating officers constituting the Personnel Security Investigation Unit which undertakes the interviews and field work in connection with PV clearance not only for MOD itself but also for most other departments in the Home Civil Service, British Telecommunications and the Post Office, Police (Special Branches) and List X firms. The MOD security directorates, including the separate PV investigating units operating under the directors of security of the three armed forces, have recently been the subject of review and report by a committee chaired by Mr D H Payne. The Payne Report deals with detailed matters of organisation and management upon which we do not feel qualified to express a view; **but we strongly support the recommendation in the Payne Report that a scrutiny of all PV posts in the MOD and in the armed forces should be undertaken as a matter of urgency to see if they really warrant being graded as calling for PV clearance.**

The Armed Forces

51. The Navy, Army and Royal Air Force, each of which has its own separate security directorate and investigating officers for Positive Vetting, follow the guidelines set out in the Manual of Personnel Security Measures in initial PV checks; but the practice followed on periodical review of PV clearance varies considerably as between one service and another. Quinquennial reviews including the minimum steps that we have recommended for civilian members of the public service are undertaken in all three armed forces, but whereas the Royal Air Force conducts interviews with the subject, his superior officers and new referees at each quinquennial review, in the Navy and the Army although the superior officers of the subject are interviewed at each quinquennial review, the subject himself (but not any referees) is interviewed at ten year intervals only. We see no reasons for this difference and we have had no evidence that leads us to suppose that the quinquennial interviews with the subject and new referees undertaken by the Royal Air Force as a matter of routine serve a security purpose that could justify the considerable expense involved. **We recommend that the Royal Air Force should adjust its procedures on quinquennial reviews to conform with those adopted in the two other armed forces.**

The Foreign and Commonwealth Office (Diplomatic Service)

52. The fact that members of the Diplomatic Service spend much of their service career in posts abroad makes them obvious targets for the intelligence services of foreign powers. Whether at home or overseas they frequently handle or have access to information relating to external affairs which merits high security classification and which they may be inveigled into disclosing through indiscretion; while the introduction into the Diplomatic Service of a recruit willing to betray this country for ideological reasons must continue to be treated as an ever-present danger. **We accordingly regard it as essential on security grounds that the Diplomatic Service should continue to be a fully PV'd service.** The Foreign and Commonwealth Office (FCO) as part of its security department maintains its own vetting section of 18 investigating officers; it does not rely upon the Personnel Security Investigating Unit of the MOD for this purpose. This we think is right; the security risks to which members of the Diplomatic Service are exposed differ from those encountered by members of the Home Civil Service. **We also think, for reasons that we have already stated, that in the Diplomatic Service practising homosexuality should be treated as an absolute bar to recruitment and, if undiscovered upon initial PV, should result in removal from the Diplomatic Service when it does come to light, unless on a case-to-case basis it could be dealt with under the Alternative Certificate procedure to which we refer below. It would we think be only fair that a would-be recruit to the Diplomatic Service should be informed of this.**

53. Because of the time taken for completion of PV clearance, recruits other than those to posts in the administrative grades, research officers, economists, security officers and NATO staff, are engaged provisionally upon NV clearance pending completion of PV. **We regard this as acceptable provided that the recruit is not posted overseas until PV is complete and that care is taken to limit his access to the most sensitive material.**

54. Because the FCO is a fully PV'd department and because the security risk involved in disclosure of classified information through indiscretion while serving overseas makes freedom from character defects of particular importance in members of the Diplomatic Service, withdrawal of PV clearance raises problems for the FCO that are greater than those encountered in the Home Civil Service. Unless the officer whose PV clearance is withdrawn can be transferred to some non-PV post of appropriate grade in the Home Civil Service, an expedient that becomes more and more impracticable as the length of his service in the FCO increases, recourse must be had to premature retirement. To avoid adopting this drastic course as soon as grounds for even slight doubt as to reliability owing to character defect has arisen the FCO has a procedure under which an Alternative Certificate may be issued confining the officer to a particular post, generally in the United Kingdom. Any change of posting of an officer in this category has to be cleared with the FCO's security department.

SECRET INTELLIGENCE WORK

55. The methods of recruitment and personnel security measures that are currently in use in the three organisations engaged in secret intelligence work (the Security Service, SIS and GCHQ), in so far as they differ from those employed by other government departments, are not set out in the Manual of Personnel Security Measures. Because of this, and because the occasion of the present reference to us was the anxiety as to whether gaps in security in the recruitment procedures of MI5 and MI6, which undoubtedly existed before and during World War II, still continued to exist, we have thought it helpful to set out in summary form in Appendix A the present recruitment and vetting procedures of the Security Service, SIS and GCHQ.

56. Reference to Appendix A will show that there are differences between the three secret organisations particularly in relation to recruitment, which flow from differences in the extent to which the existence of each organisation is openly avowed. Insistence upon complete non-avowal, which applies only to SIS, also results in the classification as SECRET or TOP SECRET of many documents which on any sensible security grading would warrant no higher classification than CONFIDENTIAL or might be relegated to RESTRICTED only.

57. GCHQ is an openly acknowledged government department under the ministerial responsibility of the Foreign Secretary. As such it is required to recruit its staff, all of whom are subject to PV clearance, through the Civil Service Commission and no attempt is made to conceal the identity of members of its staff. Its staff are permitted to join trade unions and those of its white-collar staff who do so become members of the same trade unions as officers of similar grades in the FCO itself. That part of its work that is concerned with the protection of government telecommunications is also openly acknowledged but the major part, consisting of obtaining intelligence by the interception and decoding of telecommunications of foreign governments and of their armed forces, is not acknowledged; although any journalist or member of the public who takes any interest in such matters knows perfectly well that such is the case and so of course do foreign intelligence services. The more important of them do the same sort of thing themselves.

58. The existence of the Security Service is openly acknowledged and so, in very general terms, are its functions. It has in our view not been rendered any the less effective for that; nor has any embarrassment been caused to the Home Secretary, to whom the Security Service is answerable, by questions addressed to him in Parliament about its operations or the methods and techniques that it employs. Until 1979 the Security Service did not make use of the Civil Service Commission at any stage of its recruitment procedures. It now does so in the manner described in Appendix A. For obvious reasons the identity of members of the Security Service is so far as possible kept concealed; and unlike members of GCHQ they are not permitted to be members of a trade union.

59. The fact that the SIS has continued in existence after the end of World War II is officially supposed to be a secret with the consequence that any document that even mentions it by name is required to bear the classification SECRET, although it may contain no information whatever about SIS operations, methods or techniques, or the identity of any member of the service. The official pretence that SIS does not exist, quite apart from the expensive over-classification of documents that this entails, is in our view so absurd that it is calculated to bring with it into disregard by the media and the public, legitimate security measures to prevent disclosure of the operations, methods and techniques of all three organisations engaged in secret intelligence work which are essential if they are to perform their functions effectively.

60. That we have a secret intelligence service is common knowledge. It is frequently referred to in the press sometimes by its full title or more often as the "Secret Service" or by its former designation "MI6". While we were engaged in writing this report the obituary of Sir John Rennie appeared in The Times newspaper with the sub-title "Former Head of MI6". To go on officially pretending that no such organisation exists can do nothing but diminish the credibility of security measures in general and provide encouragement to aggressive investigative journalists to disclose to the public and thereby to hostile intelligence services information about our own secret intelligence work which it is vitally important to keep secret.

61. We have not heard any plausible reason for continuing the policy of non-avowal of SIS. We strongly recommend that it should be abandoned. The existence of SIS should be acknowledged; and it should in future be placed upon the same footing as the Security Service. The identity of its members should be concealed and this would preclude their joining a trade union.

Recruitment to Security Service and SIS

THIS IS A COPY. THE ORIGINAL IS
RETAINED UNDER SECTION 3 (4)
OF THE PUBLIC RECORDS ACT

63. Except for part-time cleaners, GCHQ do not employ anyone even in clerical or secretarial grades until completion of full PV clearance. This, in effect, is forced upon them by the requirement, in agreement with our allies, that access to any intelligence material that has been gathered by the means employed by GCHQ must be denied to anyone who has not obtained full PV clearance. Even if this were not the case **we think that this precaution should be retained even though the delay involved may risk the loss of suitable recruits with expert qualifications.** Severe damage would be done by indiscreet disclosure of an apparently innocuous fact from which a hostile intelligence might infer for instance that there was a risk that a particular code had been broken. Such a disclosure could well result in a change of code and thereby remove at least temporarily, if not permanently, a valuable source of information.

Review of Positive Vetting

64. The three organisations engaged in secret intelligence work do not follow the same practice as respects reviews of PV. The Security Service alone carries out the full PV procedure again at five year intervals. Despite its cost we would not suggest any departure from this practice. The staff of the Security Service is home-based. The addresses at which they live are widely scattered and their social life and habits are not under observation by their supervisors or their colleagues. Furthermore the Security Service as adviser to other Government departments and organisations on security matters should in its own personnel security procedures be seen to observe the maximum degree of caution.

65. SIS does not repeat the full PV procedure including interviews at five year intervals. In practice a quarter to a half of officers employed by SIS are interviewed by investigating officers at the regular quinquennial review; interviews are conducted in those cases where an

Examination of the personal files leaves any doubt unresolved. We consider that this more flexible practice is justified by the fact that most SIS officers spend much of their service abroad under diplomatic cover in the relatively closed community of an embassy where evidence of character defect or unreliability is difficult to conceal, and where they are reported on annually by the head of mission. **In the case of headquarters' staff, however, who have not been posted overseas since their last PV interview we recommend that consideration should be given to the desirability of an interview with the member of the staff himself, though not necessarily any referees, at five year intervals as in the case of the Security Service.**

66. GCHQ follows the same practice in quinquennial reviews as that followed by SIS, although an additional review is undertaken before an overseas posting. Only about a quarter of quinquennial reviews include an interview with the subject. Having regard to what we have said about homosexuality as a bar to PV posting in GCHQ **we consider that there should always be an interview upon posting abroad after more than five years have elapsed since the last PV interview**, and having regard to the highly sensitive nature of nearly all the material dealt with by GCHQ, **we recommend that as in the case of the armed forces there should be an interview with the subject himself at least at not less than ten year intervals.**

THE POLICE

67. All members of police special branches require PV clearance. This we regard as a necessary security measure even although no witness could recall a case of failure by a policeman to obtain PV clearance. The Metropolitan Police Special Branch, as a result of the historical anomaly which we have already mentioned, performs in relation to Irish Republican terrorist and subversive organisations intelligence functions similar to those performed by the Security Service as respects all other terrorist and subversive organisations; both it and the special branches of other police forces in England and Wales and Scotland are, in effect, the executive arm of the Security Service. It is they who execute search warrants and make the arrests and conduct the formalities leading to prosecution.

68. It would appear, although no instance of this has been brought to our attention, that if a policeman were to fail PV clearance for some reason that did not disqualify him for further service in the police force he would be transferred to some branch other than a special branch, and would have no recognised right of appeal against refusal of PV clearance. Though a right of appeal may well continue to be a theoretical rather than a practical question, **we consider that if PV clearance were refused there should be a right of appeal to the Three Advisers where the refusal was on the ground of disloyal or subversive traces and to the chief officer of police where the refusal was on the grounds of character defects.**

ATOMIC ESTABLISHMENTS

69. The United Kingdom Atomic Energy Authority (UKAEA) is not a Government department. It is responsible for recruiting its own staff; it does not use the Civil Service Commission. It is also responsible for its own security and employs its own investigation officers; it does not use the Personnel Security Investigating Unit of MOD. UKAEA originally included the Atomic Weapons Research Establishment (AWRE) which in 1973 was transferred to MOD and now accounts for a substantial proportion of civilian PV posts there. UKAEA remains responsible for its own security and also that of British Nuclear Fuels Ltd (BNFL) a company incorporated under the Companies Act whose capital is wholly government owned. Under an agreement with the USA all 30,000 employees of UKAEA and BNFL are subject to the special form of overt NV known as the Full Record Check; but although they are concerned with the peaceful use of nuclear power and have but little access to TOP SECRET information, the agreement reached with the US that persons without PV clearance must be denied access to any SECRET ATOMIC information, has led to some 9,000 of their employees being in PV posts.

70. The threat in the case of UKAEA and BNFL, unlike the case of AWRE, is not so much from the intelligence services of the Soviet bloc, who are unlikely to learn anything they do not already know from the sort of information dealt with by UKAEA, as from developing nations anxious to acquire know-how to enable them to manufacture nuclear weapons of their own, for there are common features between the use of nuclear fission for producing power and for producing destructive missiles. While we doubt whether this threat itself would justify the retention of so many PV posts, reductions in their number would need to be negotiated with the US government, upon whom we are heavily reliant for knowledge of technical advances in this field.

LIST X FIRMS

71. Positive Vetting of employees of contractors in List X firms is described in the published version of Radcliffe. Security advice is given to these firms by the Security Service whose team of advisers has, as Radcliffe recommended, been substantially increased. The PV procedure is the responsibility of the contracting department, generally the MOD but sometimes the Property Services Agency, and interviews and field investigations are carried out by investigating officers of MOD. The risk of unauthorised disclosure of classified information would appear on the face of it to be greater in List X firms than in the public service itself; but we have not been told of any case in which the threat has materialised and **we see no necessity to recommend any change in the existing procedure except the abolition of the unused and probably unknown right of appeal to the Three Advisers referred to in the unpublished Radcliffe where PV clearance to an employee of a List X firm is refused on grounds of character defect. This right of appeal is not mentioned in the published version of Radcliffe.**

MINISTERS

72. It is not beyond the bounds of possibility that a Minister may himself be a security risk. Indeed the Security Commission in 1973 (Cmnd 5367) was driven to that conclusion in the case of a junior Minister on the grounds of character defects. We recognise however that the way in which ministerial posts are filled upon a change of government makes it impracticable to subject them to PV or even NV clearance before appointment and probably politically unacceptable to invite them to co-operate in PV clearance procedures upon themselves after appointment, although we understand that following the recommendation of the Security Commission in Cmnd 5367 Ministers on appointment to a department are given specific instructions upon its security problems and procedures. **We can do no more than repeat and re-emphasise that recommendation.**

Parliamentary Private Secretaries

73. Parliamentary private secretaries (PPS's) to Ministers do not normally have much access to classified information. Under present arrangements that have been in force since 1977 PPS's are subject to a covert security check which is undertaken by the Prime Minister's Private Office, before the Prime Minister agrees to their appointment. If agreement is given to the appointment of a PPS about whom this check discloses security doubts, the permanent head of the department is consulted so that he may consider whether to recommend to the Minister concerned restrictions upon the PPS's access to classified information. Upon this delicate topic, like that of Ministers themselves we think that this is the best that can be done; and **we make no recommendation for altering the current practice.**

Special Advisers to Ministers

74. These comparatively recent additions to those persons from whom Ministers seek advice in connection with the exercise of their governmental functions are not members of the Civil Service but personal appointees of the Minister concerned. Under the current directive issued by the Prime Minister **special advisers to Cabinet Ministers must be Positively Vetted. We agree that this is right. If, as has happened in the past, special advisers are appointed by other Ministers, we think that they should be required to comply with the vetting requirements applicable to their degree of access to classified information.** The test should be the same as that applied for service in the private office of the Minister; and under our earlier recommendation for reducing the security grading of posts in the private offices of Ministers of departments in the Home Civil Service the need for PV clearance of special advisers to Ministers may be similarly reduced.

SPECIALIST ADVISERS TO HOUSE OF COMMONS SELECT COMMITTEES

75. These persons are in a category which did not exist at the time of Radcliffe but to whom, if the select committee system is to work effectively, it is desirable that access to classified information in the possession of Government should not be entirely barred. This presents special problems of its own. What they are and how they are currently dealt with are set out in Appendix B. The question of Positive Vetting is involved; **we are emphatically of opinion that no specialist adviser should be given regular and constant access to TOP SECRET**

Information or any access at all to information which by agreement with any of our allies is confined exclusively to persons with PV clearance. NV clearance is, however, in our view, essential in the case of specialist advisers to the select committees on defence and foreign affairs and it may be, in addition, on particular subjects falling within the purview of other select committees. The difficulty arises from the fact that NV is covert and for reasons we have discussed ought in our view to remain so. A specialist adviser, or the member of the select committee who had recommended him, might well create a highly embarrassing situation and bring the whole question of NV out into the open if access by him to classified information were denied without its being possible to tell him or his sponsor that his disqualification from access was on security grounds. This danger could be reduced by subjecting specialist advisers to the system of overt NV known as the Full Record Check which is adopted in respect of all employees of the United Kingdom Atomic Energy Authority and British Nuclear Fuels Limited. The information provided by the specialist adviser in filling up the vetting form would, if true, provide the material to justify denying him access to classified material if this should be necessary on security grounds. If, however, it were untrue in any relevant respect that could be demonstrated without revealing delicate sources of information, the unreliability of the proposed specialist adviser justifying refusal of access to classified information would have been made manifest. **We accordingly recommend that consideration be given to the feasibility of introducing Full Record Check vetting for specialist advisers to the select committees on defence and foreign affairs and, where they would have access to CONFIDENTIAL information, for advisers to other select committees; unless they have been previously Positively Vetted, as may well be the case with some of them.**

CHANGES IN LEGISLATION SINCE RADCLIFFE

(1) Nationality Law

76. The Nationality Act 1981 will not call for any alteration in the substance either of the standard nationality rule for admission to the Civil Service or of the special and more stringent rules applicable to service in the Cabinet Office or the MOD or to the Diplomatic Service and GCHQ. Some verbal amendment to the rules may, however, be required. **The instructions contained in Annex 6 to the Manual of Personnel Security Measures, which deals with security precautions with persons not of United Kingdom origin or who have overseas connections, appear to us to be appropriate and should continue to be observed.**

(2) Employment Legislation and Anti-discrimination Legislation

77. The right to apply to an Industrial Tribunal for relief against unfair dismissal, including constructive dismissal, is now covered by the Employment Protection (Consolidation) Act 1978. Within the public service, dismissal for security reasons arises only where failure to obtain either NV or PV clearance is not capable of being dealt with by appointing the officer concerned to some post either in the same or some other suitable department of the public service where access to classified information is not essential to the performance of his duties; so there is no alternative but to dismiss him. Dismissal can, however, generally be avoided by careful management and although the possibility of the issue under the applicable legislation of a ministerial certificate that the dismissal was on security grounds remains as a long stop, it has not so far been found necessary to resort to it. A certificate if given is conclusive and removes from the jurisdiction of the Industrial Tribunal the question whether the dismissal was unfair or not. **We recommend that the ministerial certificate procedure be retained in any future legislation on this topic.**

78. Similar problems are capable of arising in the case of employees of List X firms. In such a case the respondent to the employee's application to the Industrial Tribunal would be the List X firm itself but the ministerial certificate procedure would nonetheless be applicable. Although the substance of the current "unfair dismissal" legislation has been in force since 1974 no case involving dismissal of an employee of a List X firm for security reasons appears to have arisen under it.

79. The legislation prohibiting discrimination on grounds of race et cetera is most likely to be invoked at the stage of recruitment to the public service but it may also arise in connection with subsequent promotion to a post that requires either NV or PV clearance. The nationality rules applied by departments, since they are made under statutory authority, do not contravene the anti-discrimination legislation. For individual cases of refusal to recruit or to promote a public servant on security grounds notwithstanding that he is eligible under the nationality

ules there is a similar procedure if racial prejudice is alleged for a ministerial certificate by way of a long stop. So far, however, it has not been found necessary in any case to resort to a ministerial certificate. There have in fact been only a handful of cases which involved security considerations under either the employment or the anti-discrimination legislation. We consider the safeguards for personnel security under the existing anti-discrimination laws to be adequate.

PHYSICAL SECURITY OF CLASSIFIED MATERIAL

80. We have examined the detailed instructions laid down in Part III of Security in Government Departments and entitled "The Protection of Classified Information". These instructions are kept under review by the Security Policy and Methods Committee and its various specialist sub-committees. They appear to us to be adequate in content but we draw attention once again to the desirability of re-issuing them in a more digestible and readily intelligible form as soon as this is practicable. It is not, however, in the written rules but in the human factor in their application that the weakness will always lie. The safeguard that can be provided by even the most elaborate and rigorous system of vetting those persons who are authorised to have access to classified material is rendered ineffective unless illicit access to such material by persons not so authorised, particularly for the purpose of copying or abstraction, is prevented.

81. We have already drawn attention to the temptation to slackness in the strict observance of security measures for the protection of classified material that over-classification brings in its train; it also adds significantly to the cost of government. To give but one example, we were informed that the cost of providing government offices with security equipment is running at the rate of £3m a year, although the actual additional cost represented by the security element in this figure would be somewhat less, since if security furniture were not provided office furniture would presumably be needed to replace it. But the greatest cost, which defies any accurate estimate, is in the additional man hours spent upon precautionary procedures that are required for materials that are unnecessarily marked CONFIDENTIAL or above as distinct from RESTRICTED, or a privacy marking, which is all they merit. **This is an added reason for pressing on with the review of the classification system by the Official Committee on Security which we have already recommended.**

COMPUTERS AND OFFICE AUTOMATION

82. The use of computers in the public service for the storage and retrieval of classified information is not mentioned in Radcliffe; if it occurred at all then it can have been no more than minimally. Since that time, however, and particularly over the last ten years it has progressed rapidly and so has the use of word-processors and other forms of office automation. We do not doubt that this trend will continue and indeed accelerate with continuing developments in computer technology and will bring in its train new security problems, which themselves will not stay static, in the safeguarding of classified information made accessible at the terminals of large central computers or stored in mini-computers or on floppy discs or other forms of storage used for word processing machines.

83. This is the area of physical security which causes us the greatest disquiet. The amount of data that is capable of being stored upon a single disc or magnetic tape and the rapidity approaching instantaneity with which the data can be retrieved means that any vulnerability to access by hostile intelligence services of material stored in computers or word processors could be a major disaster to this country and in particular to the efficacy of the three services involved in secret intelligence work. The problems of dealing with security in this field are highly technical in themselves already, yet they are unlikely to remain static since they are liable to be affected by the very rapid changes that will continue to take place in computer and micro-chip technology, most of which originate outside this country. No doubt it was because of this that we ourselves found Chapter 17 of Security in Government Departments which deals with "Security in Computer and Data Processing Systems and Installations" so difficult of comprehension; yet the instructions need to be applied by security officers in the various departments whose technical understanding of what, in the way the installations work, is capable of rendering the information stored in them vulnerable to unauthorised access, may be not much more profound than is our own.

THIS IS A COPY. THE ORIGINAL IS
RETAINED UNDER SECTION 3 (4)
OF THE PUBLIC RECORDS ACT

THIS IS A COPY. THE ORIGINAL IS
RETAINED UNDER SECTION 3 (4)
OF THE PUBLIC RECORDS ACT

85. There is a great demand outside the public service for trained computer staff, particularly those capable of undertaking those tasks which require the highest forms of expertise. In the private sector of industry and commerce, persons with these qualifications have been able to command salaries substantially higher than those paid to civil servants. In consequence there has been experienced in the public service a comparatively rapid turnover of computer staff after they have acquired the skill and experience that enables them to earn higher salaries elsewhere. Despite the current recession we think that this tendency will continue. Compared with other civil servants computer staff should be regarded from the security point of view as birds of passage. This means that in the case of classified information stored in computers there are likely to be outside the public service persons with intimate knowledge of the programming and the hardware and software of the computer in which the information is stored. This cannot but increase the risk of such knowledge being passed on to hostile intelligence services. **We draw particular attention to this, but we see no way in which it can be eliminated.**

86. In the Report on the Wagstaff case in May 1981 we recommended that responsible officials should institute a study of the special problems involved in the storage of information in the various types of magnetic media. The Wagstaff case was simply one of gross breaches of security procedures in the storage of magnetic tapes in cupboards while not in use on the word processors for which they were designed. The study which we recommended was undertaken by a sub-committee of the Security Policy and Methods Committee then known as the Committee on Computer Security but since July 1981 entitled the Security Committee for Electronic Information Processing.

87. In our current review our attention has been drawn to the much broader and more technical aspects of the security risks involved in electronic information processing than those upon which our attention was focussed in the Wagstaff case. Although we do not doubt the expertise of those who now compose the re-named sub-committee we think that its relatively lowly status in the central hierarchy concerned with security in the public service may not adequately reflect what we consider may well present today the greatest potential threat to the protection of classified information. **We recommend that consideration should be given to placing the responsibility for evaluating the various forms this threat may take and the devising of the most effective methods for combating them upon a more senior committee reporting directly to the Official Committee itself. It should also maintain the closest possible liaison with experts who have a corresponding responsibility for security of electronic information processing in the USA.**

CONCLUSIONS

88. Our investigation has taken place over nine months. We have taken a considerable volume of written and oral evidence. We have held thirty-two meetings and interviewed thirty-six witnesses. A list of those who gave oral evidence is at Appendix C.

89. The general impression with which we are left as a result of our review of security procedures and practices is one of re-assurance. The Positive Vetting procedures as they have been applied since Radcliffe can, we think, be relied upon to prevent infiltration of the FCO, or any of the three organisations engaged in secret intelligence work at the recruitment stage, by hostile intelligence services such as occurred in the 1930's and 1940's. If the "after-care" procedure is conscientiously followed by supervising officers and departmental security branches - and this depends upon the human factor - it should disclose character defects or other circumstances that make a person an unreliable recipient of TOP SECRET information and which have either developed since the initial PV or somehow escaped notice then. While we have made some recommendations for tightening-up the after-care procedure, these are only minor.

90. We are satisfied that the FCO, the SIS, the Security Service, and GCHQ should remain fully PV'd departments; but in the Home Civil Service we think that the number of PV posts could and should be reduced. In the MOD agreements with our Allies about denying **any** access to particular categories of information by persons who have not had PV clearance impose significant limitations

on the ability of that department and of the armed services to effect a substantial reduction in NV posts; but in the other departments of the Home Civil Service we think that there is considerable scope for doing so; in particular, we can see no reason for making Positive Vetting an automatic requirement for appointment to the grade of under-secretary or above or to the private offices of Ministers not in the Cabinet. It should be applied selectively to those posts only which do in fact involve regular and constant access to TOP SECRET information. Positive Vetting is an expensive process and any reduction in the need for it is to be commended on these grounds alone; but the automatic requirement of PV clearance for appointment to the grade of under-secretary means that failure to obtain it, possibly because of defects of circumstance only, is bound to have a serious adverse effect on the career of the officer concerned which may be quite unnecessary on security grounds.

91. We are satisfied that the Normal Vetting procedure should continue to be applied to all persons who have access to information classified as CONFIDENTIAL and above; and that it should remain covert except for the Police where it is in practice overt and in the case of UKAEA and BNFL where, by agreement with the USA, it has to be overt and takes the form of a Full Record Check. In the case of specialist advisers to some Parliamentary select committees, we think that here too it should take the overt form of a Full Record Check.

92. The system of classifying information for security purposes in ascending order of sensitivity as RESTRICTED, CONFIDENTIAL, SECRET and TOP SECRET lies at the root of both personnel and physical security. It is in the over-classification of information under this system as it is at present interpreted by departments that we think the greatest risk to security under the present procedures and practices lies.

93. Over-classifying documents as CONFIDENTIAL or above rather than as RESTRICTED or subject to a privacy marking only, not only involves wasteful expenditure but, in our view, has harmful consequences on the security procedures as a whole. If information is classified as CONFIDENTIAL, not because it would be of value to the intelligence service of some foreign power but because its public disclosure would be politically or administratively embarrassing, this brings security classification into disrepute not only with the media and the public, but also with the Civil Service whose duty it is to give effect to them. It blurs the distinction between information the "leaking" of which to the press may be thought to be justified in the interests of open government; and information of real security importance. Nor is NV designed to identify those who are likely to leak information to the press.

94. The principal other matter which has caused us some unease is the risk of access by hostile intelligence services to highly sensitive information, which may be presented by the rapidly expanding use of computers and other electronic equipment for storing and retrieving it. While we have no reason to suppose that this risk has yet become an actuality, we consider that constant study and monitoring of the threat presented by technological developments in the whole field of office automation should be given high priority.

LORD DIPLOCK

LORD ALLEN OF ABBEYDALE

LORD BRIDGE OF HARWICH

16 December 1981

TOP SECRET

APPENDIX A

RECRUITMENT AND PERSONNEL MANAGEMENT IN THE SECRET AGENCIES

THIS IS A COPY. THE ORIGINAL IS
RETAINED UNDER SECTION 3 (4)
OF THE PUBLIC RECORDS ACT

TOP SECRET

THIS IS A COPY. THE ORIGINAL IS
RETAINED UNDER SECTION 3 (4)
OF THE PUBLIC RECORDS ACT

THIS IS A COPY. THE ORIGINAL IS
RETAINED UNDER SECTION 3 (4)
OF THE PUBLIC RECORDS ACT

Secret Intelligence Service

13.

Like the Security Service, it operates through a system of talent-spotters, and it has over 100 confidential contacts in a position to recommend potential recruits to the Intelligence and General Service Branches and to the supplementary intelligence and transcriber officer grades. Most of these talent-spotters are in universities throughout the country. A few are in industry and commerce. Other recommendations come from officers of the armed forces who have had official contact with SIS, and serving or retired staff of SIS, the Diplomatic Service, the Home Civil Service and the Security Service.

14. University talent-spotters are sought among academic teaching staff and members of university careers advisory services who appear ready to assist the British intelligence community and have an extensive knowledge of undergraduate and post-graduate students and good judgment in assessing their attitudes and potential. Before an explicit approach is made to enlist anyone's aid as a talent-spotter, a character reference and an assessment of suitability must have been obtained from an existing contact of the Service or a member of its staff, and recruitment as a talent-spotter is dependent upon satisfactory completion of extensive independent agent vetting. Over the years a countrywide network of academic talent-spotters has been established; this now extends to almost every university. Only a relatively small number of talent-spotters actually initiate nomination of candidates; their main task is to give comments, when asked, on those candidates who appear, for example, on the list of candidates for the Diplomatic Service.

15. Similar arrangements for talent-spotting exist in industry and commerce, and a project is currently in hand to recruit more mature candidates from industry and commerce by involving the collaboration of a long-standing contact who heads an established management recruitment agency. It would recruit by normal agency methods under the guise of acting for a commercial client, telling selected candidates that the advertised vacancy had fallen through, but offering an introduction to a "public sector alternative".

16. Clearly, the appointment of talent-spotters is a key area in ensuring protection of the Service against the risk of hostile penetration, and every effort is made to check and double-check the system. No potential talent-spotter is recruited without preparatory security checks and a recommendation from an established contact. No nominee of any talent-spotter may be processed as a candidate before an independent recommendation is obtained from some other contact - although this precaution results in the fact that many nominees are discarded at this stage and remain unaware that they were ever considered. At the end of the Positive Vetting process, successful candidates are formally questioned by SIS Security Branch as to what they know, or believe, to be the chain of circumstance by which they were introduced to the Service. The in-depth interviews conducted by recruiting officers before candidates proceed to selection boards provide opportunity to probe areas of initial doubt. The recruitment process is so selective that the majority of nominees (9 out of 10, for example, for the Intelligence Branch) fail to gain appointment. A permanent record is kept and scrutinised periodically by the Security Branch of all nominations, whether successful or not, made by a particular talent-spotter. Candidates reaching SIS through a talent-spotter whose role, it is suspected, may have become known outside the Service are scrutinised with especial care to guard against the risk that they have been planted by hostile organisations. Finally, no talent-spotter can commit SIS to contact with any nominee; regardless of what nominations are received, the decision to initiate direct dealings with SIS rests with the Service alone.

17. The recruitment process for members of the "fast-stream" Intelligence Branch is similar to that for equivalent members of the Security Service described above. Candidates are first interviewed by a recruiting officer, and they are seen again a few weeks later and given a second interview by another recruiting officer if, on the strength of the first interview, both sides wish to take the matter further. At this stage the serious contenders for selection are given an account of the Intelligence Branch career and work style. They then appear before the Civil Service Selection Board, either through the normal channels because they had already applied for the Home Civil Service or the Diplomatic Service, or, if not, before a special Civil Service Selection Board in which the normal observer is replaced by a mid-career SIS Officer. Successful candidates are then interviewed by the Final Selection Board which consists of a senior (under secretary or above) SIS officer as chairman and two mid-career officers as members. Candidates are taken through the first three stages of the Positive Vetting process during recruitment so that if any adverse trace occurs, they can be turned down, if necessary at a "dummy" interview to conceal the reason for rejection. Any offer of employment at Final Selection Board is conditional on successful completion of Positive Vetting. Over the past 10 years an average of 16 new "fast stream" candidates have been recruited each year. The target intake for 1981 and each of the immediately following years is 24; this higher intake results from the post-war recruitment bulge now reaching retirement age.

18. The supporting staff are in general subjected to a 2-stage interview process similar to that used by the Security Service. Members of the General Service Branch, which provides most of the administration staff and is, in general, a home-based career, are recruited through talent spotters or from members of the Diplomatic Service who can no longer accept the mobility obligations inherent in that career. The first interview is with a recruiting officer of the FCO Co-ordination Staff, and the Final Selection Board is chaired by a senior General Service Branch SIS officer. Supplementary intelligence officers, who are required to bring specialist skills to specific appointments, have a similar recruitment procedure, with the Final Selection Board specifically designed to meet the requirements. The timing of the positive vetting process is identical to that for Intelligence Branch. Transcribing officers are recruited in exactly the same way, but because of the sensitivity of their work, Positive Vetting is always completed before a candidate is brought to the Final Selection Board, and the candidate is unaware of what the work involves until he is successful at the Final Selection Board.

19. Selection of candidates for the Secretarial Branch is achieved mainly through applicants coming forward from secretarial colleges with which SIS is in regular contact, but who believe that their applications are for the Diplomatic Service. SIS and the Diplomatic Service ensure that the personnel departments of the two services have an arrangement whereby every relevant college is an exclusive

preserve of one or the other. Because of the high staff turnover among secretaries, Positive Vetting is not normally completed until after entry, although references are taken up well before and recruits are restricted to specially approved types of work until PV is finished. Recruitment arrangements for Clerical Branch members are similar, although SIS, along with other employers in London, has difficulty in finding enough good quality candidates. They come from a wide variety of sources including those interested in the Civil Service in general and are brought to the attention of SIS by talent-spotters, or introduced by members of staff or referred by vetted agencies with a knowledge of SIS requirements.

20. The Positive Vetting arrangements in the Secret Intelligence Service are modelled on those of the Foreign and Commonwealth Office. The summary writers in the SIS's own Security Branch vetting section make a summary of all the relevant information available about the candidate and this summary, together with the completed security questionnaire, forms the raw material for field enquiries carried out by the Positive Vetting Investigation Officers. The field reports cover interviews with schools, universities, previous employers, referees and the subject himself, and sometimes a check is made with the local police.

21. The PV process can be expected to involve 5 or so interviews, including those with two character referees as well as employer or academic referees, before the personal interview with the candidate. No candidate for a particularly sensitive post is accepted before the successful completion of Positive Vetting, although in certain secretarial and clerical grades recruiting would be impossible if candidates were asked to wait 3 months, and some candidates are employed on work which is less sensitive by SIS standards until Positive Vetting is completed. Candidates who subsequently fail Positive Vetting are not permitted to stay on, although in difficult cases they may be kept on until the end of their probationary period. In other cases every effort is made to find them alternative employment. Because the organisation is at present not avowed, it has no blanket authority for immunity from employment legislation, and any case which arose would probably have to be the subject of a Ministerial certificate.

22. SIS conducts its own NV check, through the Metropolitan Police Special Branch as a channel to avoid direct contact with the National Identification Bureau.

23. Reviews are carried out annually for those under 21 and every 5 years for those over 21, and there is also a review, which includes an interview with the subject when any member of staff returns from a posting

At review, the papers are examined to see if there is any reason why a personal interview with the subject would be useful; in the event, between a quarter and half of annual reviews include a personal interview. It is general policy that each individual should be personally interviewed at least three times in the course of his career, once on entry, once in mid-career and once towards the end

THIS IS A COPY. THE ORIGINAL IS
6
RETAINED UNDER SECTION 3 (4)
OF THE PUBLIC RECORDS ACT

of the career. Spouses of officers are NV'd, but not PV'd. They are also given an induction course of the general work of the Service, and are encouraged to be associated with their husband's work.

24. An important difference between vetting in the SIS - and, indeed, all the secret agencies - and that in the Home Civil Service is the seriousness with which adverse factors are regarded; two examples are that homosexuality is regarded as an absolute bar to employment, and officers who marry must leave the Service if the security background of their spouses cannot be verified.

Government Communications Headquarters

THIS IS A COPY. THE ORIGINAL IS
RETAINED UNDER SECTION 3 (4)
OF THE PUBLIC RECORDS ACT

THIS IS A COPY. THE ORIGINAL IS
RETAINED UNDER SECTION 3 (4)
OF THE PUBLIC RECORDS ACT

SPECIALIST ADVISERS TO HOUSE OF COMMONS SELECT COMMITTEES

1. Specialist advisers to select committees have been subject to vetting clearance since Ministers in 1969 endorsed a recommendation of the Official Committee on Parliamentary Procedure that they should be Normally Vetted where they have access to CONFIDENTIAL information. Ad hoc arrangements for implementing this were established where necessary. In the defence field, for example, most specialist advisers were drawn from among those who had been vetted as consultants to the MOD.
2. In 1974 rules to govern the protection of classified information disclosed to select committees were drawn up and agreed between the Government and the House authorities. In the light of this, in 1976 more formal arrangements were established for the vetting of specialist advisers, and a procedure was agreed between the Civil Service Department and the Clerk to Committees. They reflect the fact that specialist advisers are employed by the House of Commons Commission and the Government neither has nor wishes to have any influence in their appointment.
3. Specialist advisers who are required, in the course of their duties, to have access to CONFIDENTIAL information are therefore NV'd. Decisions on vetting are made by the Management and Personnel Office in consultation with the Security Service. In any case of doubt the department mainly concerned is also consulted. If it should prove impossible in certain circumstances to grant vetting clearance to a specialist adviser, the Clerk to Committees is informed by the Management and Personnel Office that, under the agreed arrangements, the specialist adviser should not have access to classified information.
4. The Committees mainly involved are those on defence and foreign affairs. It is recognised that, from time to time, it may be necessary to NV specialist advisers on other select committees but there is no general requirement in these.
5. Since the restructuring of the select committee system at the end of 1979, a total of 19 specialist advisers have been subject to NV clearance. Of these, two have been refused clearance. One of these remains a specialist adviser on the Foreign Affairs Committee. The other was allowed to complete his assignment on the Energy Committee, but was not subsequently re-appointed.

LIST OF WITNESSES

a. Government departments

Cabinet Office

Sir Antony Duff GCMG CVO
DSO DSC

Intelligence Co-ordinator

Civil Service Department

Sir Ian Bancroft GCB
Mr S R Davie

Head of the Home Civil Service
Head of the Department's Security
Policy Division

Ministry of Defence

Sir Frank Cooper GCB CMG
Mr E Pendlebury
Mr F Taylor
Rear Admiral W D Lang CB
Major General H E M L Garrett
CBE
Group Captain G E Winch

Permanent Under-Secretary of State
Executive Director, Civilian
Management (B)
Deputy Director of Security
(General), Procurement Executive
Director of Naval Security
Director of Security (Army)
Deputy Director, Personnel
Security (RAF)

Foreign & Commonwealth Office

Sir Michael Palliser GCMG
Mr D Brighty
Mr I S Winchester

Head of the Diplomatic Service
Head of Personnel Operations
Department
Head of Security Department

Government Communications Headquarters

Sir Brian Tovey KCMG
Mr D J Wakefield

Director
Director of Organisation

Home Office

Sir Brian Cubbon KCB

Permanent Under-Secretary of State

b. Other organisations

British Telecommunications/Post Office

Mr M Argent
Mr A J Roberts
Mr J L S Archibald

Secretary, British Telecommunications
Secretary, Posts and Girobank
Departmental Security Officer,
British Telecommunications

Democratic Service Staff Side

Mr A H Grey	Chairman
Mr P W Grice	Secretary
Mr E Brent	Society of Civil & Public Servants
Mr F Phillips	Civil Service Union

Metropolitan Police

Mr G J Kelland CBE QPM	Assistant Commissioner (Crime)
Mr C V Hewett QPM	Deputy Assistant Commissioner

Secret Intelligence Service

Mr C F Figures CMG OBE
 Mr C Curwen

Security Service

Mr J Jones	Director General
Mr P Sherman	Director of Protective Security

Strathclyde Police

Mr P Hamill QPM	Chief Constable
Mr R Nicolson	Assistant Chief Constable
Mr W Baird	Deputy Secretary to the Scottish Home & Health Department

United Kingdom Atomic Energy Authority

Mr A M Allen CBE	Deputy Chairman
Mr F J Sidwell	Director of Security
Mr G S Constable	Deputy Director of Security

THE FOLLOWING SUBMITTED WRITTEN EVIDENCE ONLY:

Mr Chapman Pincher
 Council of Civil Service Unions
 Union of Construction, Allied Trades and Technicians

THIS IS A COPY. THE ORIGINAL IS
 RETAINED UNDER SECTION 3 (4)
 OF THE PUBLIC RECORDS ACT

TOP SECRET



TOP SECRET

~~SECRET~~ AND PERSONAL

2



10 DOWNING STREET

From the Principal Private Secretary

SIR ROBERT ARMSTRONG

I have shown the Prime Minister your minute A06191 of 3 December 1981 about the forthcoming report of the Security Commission and a related matter.

She has taken note of your minute, with the comment

"This is very worrying".

AWL.

4 December 1981

~~SECRET~~ AND PERSONAL

This is very worrying



Prime Minister.

Any number of problems ahead, I am afraid, but you need only take note at this stage.

*AKW
3xii*

Ref. A06191

MR. WHITMORE

I understand that the Prime Minister is likely to receive during the course of this month a report from the Security Commission on the reference which she announced in her statement in the House of Commons on 26th March on the Hollis affair.

2. On security procedures the main recommendation seems likely to be a review of classification procedures designed to ensure that Departments do not over-classify documents, and thus to reduce the number of posts whose occupants need to be positively vetted. The need for the positive vetting and normal vetting procedures will be confirmed, and the procedures adopted in the security and intelligence services broadly approved, with some minor changes proposed.

3. As an example of over-classification, the Security Commission will, I understand, suggest that it is not necessary to classify a document as Confidential merely because it contains a reference to the existence of a Cabinet Committee.

4. Perhaps the most difficult recommendation is likely to be that the Government should discontinue the policy of non-avowal of the SIS (and of the SIGINT activities of GCHQ).

5. The report will be classified Secret, and the first thing we shall have to do will be to decide whether it is to be published, unexpurgated or expurgated, or whether the Government should publish simply a list of its findings and recommendations. The previous report of this kind - the Radcliffe Report in 1961 - was published in^{an} expurgated version. I understand that the Security Commission are critical of that procedure, and would not be likely willingly to agree to go along with the publication of an expurgated version. Normal procedures would require the Prime Minister to inform the Leader of the Opposition as well as the Chairman of the Security Commission of any expurgations the Government proposed to make. Publication may cause some



embarrassment; but nonetheless I am sure that the aim should be if at all possible to publish in full.

6. I am making arrangements for the preparation of considered advice to Ministers on the question of publication and on the responses to the Commission's recommendations. I think that the aim should be to make a statement on the Government's decisions at the time when the report (or a summary of its findings, if that is the way things go) is published.

7. I fear that the publication of the report may be the occasion which leads to the exposure of FOLIO. Mr. Chapman Pincher gave evidence to the Security Commission which showed that he was well aware of the FOLIO case. He claimed to be a friend of FOLIO, and indeed went to see FOLIO shortly before he died. If (as I suspect) the Security Commission's report ignores Mr. Pincher's evidence, I fear that he may not scruple to support criticism of the report with a reference to the FOLIO case and his evidence to the Commission about it - despite his protestations of friendship for FOLIO. An article on these lines would not do the sales of the paperback version of his book, which is to be published shortly, any harm. I have, quite independently, had reports that the buzz in Fleet Street is that the next "spy" to be "exposed" in the press will be FOLIO.

cc to old

REA

ROBERT ARMSTRONG

3rd December, 1981

DEC 3 1981



UNITED STATES DEPARTMENT OF JUSTICE

UNITED STATES DEPARTMENT OF JUSTICE

Faint, mostly illegible text, likely a letter or official document, containing several paragraphs of information.





File A4

10 DOWNING STREET

From the Principal Private Secretary

SIR ROBERT ARMSTRONG

SECURITY COMMISSION

I attach, for your information, a copy of Lord Allen's reply to the Prime Minister's letter of 27 April 1981 inviting him to serve with Lord Diplock and Lord Bridge on the Security Commission's review of security procedures and practices in the public service.

JAW.

30 April 1981

A4

HOLLY LODGE,
ENGLEFIELD GREEN,
SURREY. TW20 OJP
EGHAM 32291

29.4.81 R30

Dear Prime Minister

Thank you for your
letter of 27 April about the
remit to the Security Commission.

I shall be glad to
help in any way I can in
this important inquiry.

Yours sincerely

Philip Allen



MB
cc CO

Security

10 DOWNING STREET

THE PRIME MINISTER

27 April 1981

Dear Lord Allen,

In the light of the advice of Lord Diplock and following consultation with the Leader of the Opposition I announced in the House of Commons on 26 March my decision (in accordance with the procedures announced in 1969) to ask the Security Commission to review the security procedures and practices currently followed in the public service and to consider what, if any, changes are required.

I am most grateful that you have agreed to serve on this inquiry with Lord Diplock and Lord Bridge of Harwich.

Yours sincerely
Margaret Thatcher

The Lord Allen of Abbeydale, G.C.B.

JS



3-

Prime Minister

A letter to Lord Allen
for your signature is below.

RAH
15w

Ref. A04736

MR. WHITMORE

Security Commission

Lord Diplock's original thought was that he would like to undertake the review of security procedures and practices currently followed in the public service, announced by the Prime Minister on 26th March, with Lord Bridge of Harwich but without any other member of the Security Commission. On further thought about the nature of the inquiry he came to the conclusion that it would be useful to add to his team a third member with direct experience of the operation of security procedures and practices in the public service, and he expressed the wish that Lord Allen of Abbeydale should be asked to join in the review. I approached Lord Allen, who has agreed to undertake it.

2. I think that it would be appropriate if the Prime Minister would agree to send to Lord Allen on her return a letter like those which she has sent to Lord Diplock and Lord Bridge. I attach a draft herewith.

RAH

ROBERT ARMSTRONG

15th April, 1981



DRAFT LETTER FROM THE PRIME MINISTER TO
THE LORD ALLEN OF ABBEYDALE, GCB, HOLLY
LODGE, ENGLEFIELD GREEN, SURREY,
TW20 0JP

Security Commission

In the light of the advice of Lord Diplock and following consultation with the Leader of the Opposition I announced in the House of Commons on 26th March my decision (in accordance with the procedures announced in 1969) to ask the Security Commission to review the security procedures and practices currently followed in the public service and to consider what, if any, changes are required.

I am most grateful that you have agreed to serve on this inquiry with Lord Diplock and Lord Bridge of Harwich.



w/c
Security cc CSO
CO

10 DOWNING STREET

7 April, 1981

THE PRIME MINISTER

Dear Lord Bridge.

SECURITY COMMISSION

In the light of the advice of Lord Diplock and following consultation with the Leader of the Opposition I announced in the House of Commons on 26 March my decision (in accordance with the procedures announced in 1969) to ask the Security Commission to review the security procedures and practices currently followed in the public service and to consider what, if any, changes are required.

I am most grateful that you have agreed to serve on this inquiry with Lord Diplock.

Yours sincerely
Margaret Thatcher

The Rt. Hon. The Lord Bridge of Harwich.

JS



cc C80
CO

LPO

10 DOWNING STREET

THE PRIME MINISTER

6 April 1981

Dear Lord Diplock,

SECURITY COMMISSION

Following your recent meeting with Sir Robert Armstrong and Sir Ian Bancroft you kindly agreed that the Security Commission would review the security procedures and practices currently followed in the public service and to consider what, if any, changes are required. I enclose a copy of the statement I made in the House of Commons on 26 March. I am very grateful.

I am writing separately to Lord Bridge, who, I understand, has agreed to serve with you on this inquiry.

Yours sincerely

Margaret Thatcher

The Rt. Hon. The Lord Diplock.

120



3

10 DOWNING STREET

Prime Minister.

We have heard that
Lord Dwylock would like a
letter from you asking him to
undertake the carrying out of
security procedures in the public
service.

I accordingly attach
for your signature letters to
him and Lord Bridge.

AKW

2.11

Prime Minister

Please sign letter to Lord
Bridge.

S.J. Pike

6.4.81



Security

MR C A WHITMORE

✓ *ms*
2w

SECURITY COMMISSION

I understand that Lord Diplock would like to follow precedent and formally to be invited to take charge of the Security Commission enquiry announced by the Prime Minister on 26 March.

... I therefore attach draft letters for the Prime Minister to send to Lord Diplock, and to Lord Bridge, who will be working with him, which follow the usual pattern.

see Security
May 79
Chapman
Pucher
Colcl

I am sending a copy of this minute to Sir Robert Armstrong.

SB

IAN BANCROFT
1 April 1981

Letters in the box
for signature.

ms
2w

conqueror

DRAFT LETTER TO LORD DIPLOCK

SECURITY COMMISSION

Following your recent meeting with Sir Robert Armstrong and Sir Ian Bancroft you kindly agreed that the Security Commission would review the security procedures and practices currently followed in the public service and to consider what, if any, changes are required. I enclose a copy of the statement I made in the House of Commons on 26 March. I am very grateful.

I am writing separately to Lord Bridge, who, I understand, has agreed to serve with you on this enquiry.

DRAFT LETTER TO LORD BRIDGE

SECURITY COMMISSION

In the light of the advice of Lord Diplock and following consultation with the Leader of the Opposition I announced in the House of Commons on 26 March my decision (in accordance with the procedures announced in 1969) to ask the Security Commission to review the Security procedures and practices currently followed in the public service and to consider what, if any, changes are required.

I am most grateful that you have agreed to serve on this enquiry with Lord Diplock.

UNITED STATES DEPARTMENT OF JUSTICE

FEDERAL BUREAU OF INVESTIGATION

MEMORANDUM FOR THE DIRECTOR, FBI

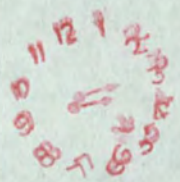
DATE: 4/1/81

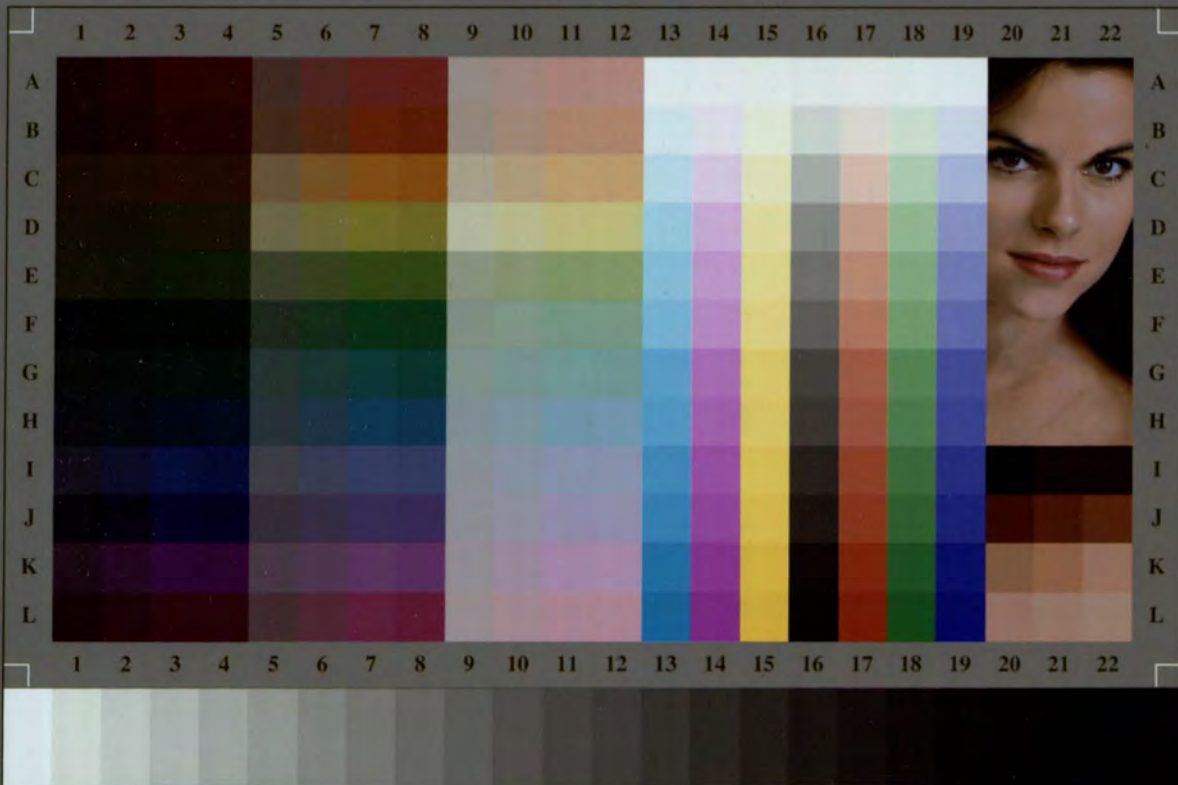
TO: SAC, [illegible]

FROM: SA, [illegible]

SUBJECT: [illegible]

2 APR 1981





IT8.7/2-1993
2007:03

[FTP://FTP.KODAK.COM/GASTDS/Q60DATA](ftp://ftp.kodak.com/gastds/q60data)

Q-60R2 Target for
KODAK
Professional Papers

