

RAM AFE

FILE



cc: DAVID WILLETT

10 DOWNING STREET

From the Private Secretary

11 October, 1984

FINANCIAL SAVINGS SERVICES

The Prime Minister has seen your Secretary of State's minute of 9 October. She is content with the general shape of the proposals which he has worked out in conjunction with the Chancellor of the Exchequer and the Governor of the Bank of England.

There are, however, a number of points on which it would be helpful for the Prime Minister to have further clarification.

LBK 11

- (i) What action does your Secretary of State have in mind to toughen up the law governing the issue of prospectuses and the provision of false and misleading information?
- (ii) The Prime Minister understands that Justice Roskill is considering the use of juries in fraud cases, and that 30 September was the deadline for evidence to his Inquiry. Is it known when he will be reporting?
- (iii) Is it intended to give the Office of Fair Trading a continuing remit to scrutinise the self-regulatory agencies to ensure that they do not relapse into cartels?
- (iv) What will be the relationship between your Secretary of State and the two main supervisory bodies? What powers will be delegated to them and who will appoint their members?
- (v) Is it intended to transfer the supervision of the marketing of insurance and unit trusts from DTI to the Investments Marketing Authority? Will this save any Civil Service posts in the Department?

I am copying this letter to David Peretz (HM Treasury), Richard Stoate (Lord Chancellor's Office), John Bartlett (Bank of England) and to Richard Hatfield (Cabinet Office).

(A. Turnbull)

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Department of Trade & Industry