

SECRET



10 DOWNING STREET

SUBJECT

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ccs CO
F20
GCHQ
C

From the Principal Private Secretary

24 December 1982

Dear Brian,

The Prime Minister had a meeting on Thursday 23 December with the Foreign and Commonwealth Secretary, Sir Robert Armstrong, Sir Antony Acland, C, Sir Brian Tovey and Sir Antony Duff about the current priorities and problems facing the Secret Intelligence Service and GCHQ.

The Prime Minister opened the discussion by saying that she did not feel that she met those responsible for the intelligence services sufficiently often to discuss their strategic priorities. The annual submission on priorities was too general for the purpose she had in mind, and she was considering introducing an arrangement by which she had quarterly meetings with the Ministers concerned and the heads of each intelligence service, and more frequent meetings with the Intelligence Co-ordinator. This would enable her to communicate in a more systematic way her own requirements and priorities.

In discussion, the following points were made:-

i) Sir Robert Armstrong was about to submit to the Prime Minister the recommendations of the PSIS about the allocation of public expenditure to the intelligence services. The Prime Minister commented that she regarded intelligence as having a very high priority and would not wish the provision of intelligence to be obstructed by shortages of funds.

ii)

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iii)

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iv) The issue of Parliamentary involvement with the intelligence services was one which would have to be tackled in the New Year. Much of the feeling in Parliament was focused on dissatisfaction about positive vetting. One way of dealing with this would be for the Prime Minister to describe in a debate the sort of inquiries which would have to be made if there were a serious attempt to vet Members of Parliament themselves.

Summing up the discussion, the Prime Minister said that it was useful to have a periodic exchange of this sort. She was considering the arrangements which might be made to improve the machinery for making the best operational use of intelligence material, which would no doubt be a matter discussed in the report of the Franks Committee, and she was also considering what arrangements she could make to have more regular and systematic discussions with those involved in the direction of the intelligence services.

I am copying this letter to Sir Robert Armstrong, Sir Antony Acland, Sir Brian Tovey and C.

Yours ever,

Robin Butler

Brian Fall Esq.,
Foreign and Commonwealth Office.

Security

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File A4 28



10 DOWNING STREET

ccs CO.
FCO
GCHQ
'C'

From the Principal Private Secretary

5 January 1983

Dear Brian,

Please will you and the other recipients of my letter of 24 December 1982 about the Prime Minister's meeting on the current priorities and problems facing the Secret Intelligence Service and GCHQ amend the classification from SECRET to:

"TOP SECRET : HANDLE VIA COMINT CHANNELS ONLY"

I am copying this letter to those who received my letter of 24 December.

Yours ever,

Robin Butler

Brian Fall Esq.,
Foreign and Commonwealth Office.

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Pl. write ~~and~~ ^{2A}
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10 DOWNING STREET

Robin

Brian Tovey says about your letter of 24 December to Brian Fall reporting on the P.N.'s meeting of 23 December.

2. He says that the letter ought to be classified:-

"TOP SECRET: HANDLE VIA
COMINT CHANNELS ONLY."

(It is classified "Secret").

He is anxious that the change should be made to all copies (especially because of the U.S. connexion). If this would cause great difficulty he would not press but he hopes it will

/not

not.

3. I said that if he heard us make
the change would be made.

A. J. C. $\frac{5}{1}$.