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1 totally disagree.

Prime Minister

(1)



This has all the  
underlying of a new

Agree to the announcement  
of an Inquiry, as proposed?

PRIME MINISTER

expensive unnecessary  
which will cost far more than Trinity House

MCS 18/6

GENERAL LIGHTHOUSE AUTHORITIES: A PUBLIC INQUIRY

MS

The arrangements for the provision and financing of lighthouses around the British Isles are anachronistic. The three responsible bodies (Trinity House, the Northern Lighthouse Board and the Commissioners of Irish Lights) are relics of the past and in the case of the Commissioners of Irish Lights rest on dubious legal foundations. As Secretary of State I am responsible for financial control of these bodies, although they are not financed from the Exchequer. There is a history of disquiet about the management of the services from the point of view of economy, and the Public Accounts Committee is about to discuss a report on the subject. Shipowners, who pay for the service and who in the past have been surprisingly acquiescent, have suddenly changed course with a letter to Iain Sproat expressing 'some fundamental concerns about the lights service and in particular its cost to the industry'.

7 The criticisms are wide-ranging; they question the level of excellence maintained and point to lack of economy; they are unhappy at the lack of scrutiny of running costs; they challenge the management competence of Trinity House in particular; they urge a fundamental review of the method of financing the service, and describe the Irish situation as absurd. (An anomaly dating back to the formation of the Irish Free State is that I am still required to exercise statutory control over the Irish Commissioners, and most of the money they spend is raised in light dues levied in UK ports; this situation is being discussed with the Irish Government). Finally they propose that no further increase should be permitted in light dues, if necessary by running down the General Lighthouse Fund reserves (well in excess of £30m), while a close look is taken at the work of the three Authorities.



*Thank Godfrey*  
My Department's powers over the general lighthouse authorities are very limited; the bodies in question are fiercely independent; they are also bodies with very distinguished patronage. Outside criticisms are likely to centre on Trinity House, where the Duke of Edinburgh is Master and two of the Elder Brethren are ex-Prime Ministers. I therefore think the right approach is to set up an independent enquiry. There was a Royal Commission in 1906, when similar criticisms were being voiced. I should prefer a smaller and less formal inquiry, say a three man investigation consisting of an independent figure of some standing, perhaps from the legal world, supported by someone with business experience and somebody with a marine background. The terms of reference for the inquiry should be fairly wide-ranging, covering the methods of financing and control as well as the standards and cost of the service.

*No*  
Criticisms of the Lighthouse Authorities will be aired next week in a report by the Comptroller and Auditor General. The Department's Accounting Officer will also need to give evidence to the PAC on 28 June. I therefore think that the next stage should be for me to raise with the Lighthouse Authorities our intention to set up this inquiry. The Authorities are not yet aware of these criticisms, and it is clearly important that they be told soon. Subject to their views, I would hope to be in a position to announce this Inquiry early next week. I should be grateful for your approval to proceed in this way.

*No*  
I am sending copies of this minute to the Lord Chancellor, the Chancellor of the Exchequer, the Secretaries of State for Foreign and Commonwealth Affairs and Northern Ireland, and Sir Robert Armstrong.

*Arthur Cockfield*

LORD COCKFIELD

8 JUN 1962

