



File AH

10 DOWNING STREET

From the Principal Private Secretary

PERSONAL AND CONFIDENTIAL

SIR ROBERT ARMSTRONG

"NAMES AT LLOYDS"

Sir Peter Green, the Chairman of Lloyds, has approached me informally about the policy governing Ministers remaining as "names" at Lloyds. He asked whether the Government were satisfied with the policy governing Ministers remaining as "names" while they were holding office.

I asked whether a particular incident had prompted this inquiry. Sir Peter Green said that it had been brought to his attention during the Falklands crisis that a particular Minister, who had quite properly remained a "name", was closely involved in Government decisions about the handling of the crisis which of course involved the deployment of merchant shipping. Sir Peter Green said that he had not been worried that any actual conflict of interest arose in this case, and he had only been alerted to it in order to prepare a line in case questions were raised. But it had raised in his mind the question whether the Government had a policy governing such situations.

I have read the passage in Questions of Procedure for Ministers and also the extract from the Cabinet Office precedents book which was enclosed with Sir John Hunt's minute of 22 June 1979 to Mr Pattison (A09847). I see that, in addition to the rule debarring the holders of certain offices, there have been cases when other Ministers have been asked to give an assurance that there is no inconsistency between their Ministerial duties and the business undertaken by their syndicates. But the latter undertaking has not been universal, and there does not appear to be any provision for reviewing the question if some exceptional situation arises in which a Minister's private interests as a member of Lloyds might be affected by decisions which he takes as a Minister.

BF
May I have your advice on what further response I should give to Sir Peter Green? I am sure that he would nominate somebody to discuss this matter with a representative of the Government in confidence if that we thought desirable. Before such discussions were started, I should want to make sure that the Prime Minister had no objection.

F.R.B.

AY

31 January 1983

Robin

You asked to see the attached file relating to newly-appointed Ministers obtaining the Prime Minister's permission before continuing as a 'name' at Lloyds. The papers in the early part are most relevant.

Also attached is a list of those Ministers in this Government who have sought such permission; it has been granted in every case, although that of Peter Rees in Trade was not straightforward.

There are no papers on policy as such under this Government. Would you like me to look out the papers from previous administrations?

Nicky 31/11