

PERSONAL

CONFIDENTIAL

Prime Minister.

Ref. A084/35

MR BUTLER

A.J.C. 7/1.

I mentioned to you before Christmas the curious case of Mr Tony Hutt, the Conservative Research Department expert on local government matters, who has been advising the Secretary of State for the Environment and is now about to take up an appointment with a firm of Parliamentary lobbyists retained by the Association of Metropolitan Counties.

2. The matter was the subject of an article in the Sunday Times on 18 December: I attach a copy herewith.

3. I thought it right to make some enquiries of the Department of the Environment about this matter. You may like to see the attached copy of a minute which the Secretary of State sent to his Permanent Secretary before Christmas as a result.

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ROBERT ARMSTRONG

I am concerned that Confidential Documents are seen by Conservative Research. In my view they should not be.

4 January 1984

We must have a word about this at Cabinet -
out



file

da

10 DOWNING STREET

From the Private Secretary

SIR ROBERT ARMSTRONG
CABINET OFFICE

The Prime Minister has seen your minute of 4 January to Mr. Butler about the case of Mr. Tony Hutt.

The Prime Minister has minuted that she is concerned that confidential documents are seen by Conservative Research Department. In her view they should not be. She would like the matter to be raised in Cabinet. I should be grateful if you could bring this to the Prime Minister's attention at an appropriate time.

A. J. COLES

5 January 1984

PERSONAL AND CONFIDENTIAL

CT.

l three months because of your
d contract," he said.

c Hutt pointed out that he had
i never been given a contract by
a Conservative Central Office; he
t could go work for Neil Kinnock
e if he pleased.

c One can understand Jenkin's
s anxiety. Not only does Hutt
s possess a detailed knowledge of
i the government's plans but
a GJW has devised a neat strategy
l to occupy the department's civil
j servants who should be drafting

the bill.

It works out like this: a local government official dreams up a complicated question arising from the government's proposals. It is fed through GJW to a friendly MP who raises it in the House of Commons. A civil servant from environment is deployed to research the answer, which he does by going to probably the only person who knows the answer: the local government official who thought of it in the first place.

Moving Hutt

AN entertaining scene at the department of environment last week when Tony Hutt, the Tory party's amiable specialist in the mysteries of local government, announced that he was moving to fresh pastures.

Patrick Jenkin, the environment secretary, who has relied on Hutt's knowledge in the field, spared a few minutes to thank him for his decade of service and wish him well in his new job. Only then did Hutt stammer that he didn't think that would be the case since he is joining GJW, a firm of parliamentary lobbyists currently retained by the metropolitan councils to campaign against Jenkin's plans to abolish them.

Jenkin's benign disposition clouded. "But you can't; you've been helping us draft the bill. You can't work for them for

Sir George Moseley 22/12

I think you can tell Sir Robert Armstrong the story based on the facts below.

(Wednesday 14 Dec 1971)

(1) Last week Tony Hutt came in to see me first thing one morning to tell me that the previous evening he had accepted an offer of a job from Giffard, Jeger and Weekes, a firm of PR advisers who specialise in political and Parliamentary lobbying. The job would start on 1 February; Mr Hutt said that this would not be welcome news because the firm had the contract to fight for the survival of the Met Counties.

(2) I expressed some dismay and said that this seemed to me to be in clear conflict with his duty to his present employers, Central Office; it could cause both Central Office and DOE Ministers some embarrassment because Mr Hutt was of course privy to much of the discussion and planning which lay behind the Government's policy. He had participated in meetings to discuss the Government's strategy and, apart from classified documents nothing had been withheld from him as a member of the team. Also, to appear to "switch sides" now would suggest that he was disillusioned with the policy and had decided to join the opposition.

(3) Mr Hutt replied that he had made it abundantly clear to the firm that of all the Government's local government policies the strongest was the abolition of the Met Counties. While he did not expect to be employed exclusively on this subject, he certainly would expect to be involved. The firm knew his views but these had not proved an obstacle to his taking the job. Of course, he said, he recognised his obligations not to disclose matters which had come to him in confidence from his previous employer or the Government, and he was concerned to keep his good name in this regard.

(4) I reiterated that this would nevertheless cause considerable embarrassment and that he should discuss it at once with the Chairman of the Party. I also put forward the proposition that he should insist on a period of at least 3 months 'purgatory' during which he would neither see the firm's papers relating to the Met Counties contract nor participate in any discussions about that contract. I said that with events moving fast in this field 3 months would be a reasonable 'insulation'.

(5) Mr Hutt while not pleased with this, seemed to feel that it was a not unreasonable requirement. He undertook to report back at once to the Chairman of the Conservative Party. I said that I thought that from that moment it would be impossible for him to attend any of our meetings or see any of the papers that were not public property and he accepted this.

(6) In taking this line, I had clearly in mind that Mr Hutt had hoped to join the Department as a special adviser in view of his long (12 years!) experience on the local government desk in the Conservative Research Department. Before appointing Mr Mockler, I had discussed the matter with Mr Hutt and made it clear that the prime purpose of the adviser's post would be to help with the preparation of speeches. Mr Hutt had himself

6/12

volunteered the information that this was not his forte and in the circumstances we had agreed, perfectly amicably, that he was not the person I was looking for. I also had it in mind that Mr Peter Cropper, head of the Research Department, had expressed to me the view that it was time that Tony Hutt moved on in order to broaden his career and gain outside experience. For both these reasons therefore it seemed to me that it would be oppressive (as well as being unenforcable!) to attempt to put any obstacle in the way of Mr Hutt joining Giffard, Jeger and Weekes.

(7) Mr Hutt then apparently reported to Mr Gummer who telephoned me to express his concern. The meeting had apparently been far from amicable and it was apparent that Mr Hutt had taken strongly against my suggestion of 3 months 'purgatory'. Nevertheless, Mr Gummer agreed that there was no way in which we could stand in Mr Hutt's way, but he pointed out that his contract, drawn up long before the most recent Central Office staff contracts was far less specific on obligations not to disclose confidential information. Mr Gummer had therefore suggested that Mr Hutt should continue to work on the 'Politics Today' issue about local government published in January but he was entirely clear that Mr Hutt should no longer participate in DOE meetings or see confidential DOE Papers.

(8) The next thing that happened was the Sunday Times article - clearly inspired by Mr Hutt himself. This greatly soured the atmosphere and there was apparently another acrimonious meeting with Mr Gummer. Mr Gummer subsequently telephoned me to say that he had decided that the right course was that Mr Hutt's employment should terminate on Friday December 23rd though of course he would continue to be paid up to the end of January. I said that in these circumstances that seemed to me to be appropriate.

(9) Subsequently, Mr Gummer telephoned to say that Mr Hutt had appeared before him in a much more conciliatory mood. He had agreed to offer 3 months 'purgatory' from the end of 1983 (ie 2 months from the start of his employment with the firm) and also that he would continue to work at home on the 'Politics Today' issue so as to fulfil his obligations to the Central Office. Mr Gummer suggested that as the offer had come from Mr Hutt, and as he was clearly anxious not to leave behind a sour taste, it would be wise for us to accept this. I agreed.

and contrite!

Mr Hutt's name of course came up in connection with my interview with Mr Scott on the leak enquiries. Prima facie it appeared that one of the most serious leaks - my letter to colleagues enclosing the briefing material - had not been seen by Mr Hutt but no doubt Mr Scott will report on this in due course. On the other hand Mr Hutt had been present at the meeting with Mr John Major and Mr Archie Hamilton at which the use of the Lilley tables was discussed and agreed. It appears that part of this meeting was reported nearly verbatim to Robin Pauley of the Financial Times. Clearly Mr Hutt remains under suspicion

in connection with this leak, and I am told is very anxious to be interviewed by Mr Scott in order to clear his name.

J. J. Gallant

for PATRICK JENKIN

Approved by the Sops. & signed
in his absence.