

Prime Minister ⁽²³⁾
for information

Ref. A085/1395

MR BUTLER

After her statement in the House of Commons on 9 May on the Bettaney affair, the Prime Minister asked Sir Antony Duff to report on the action taken in response to the Commission's criticisms of the Security Service's handling of Bettaney.

--- 2. I attach a copy of the letter which Sir Antony Duff has sent to the Home Secretary in response to that request.

3. What Sir Antony Duff is doing seems to me to be judicious and sensible in the circumstances.

RA

ROBERT ARMSTRONG

21 May 1985

CONFIDENTIAL



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10 DOWNING STREET

From the Principal Private Secretary

SIR ROBERT ARMSTRONG

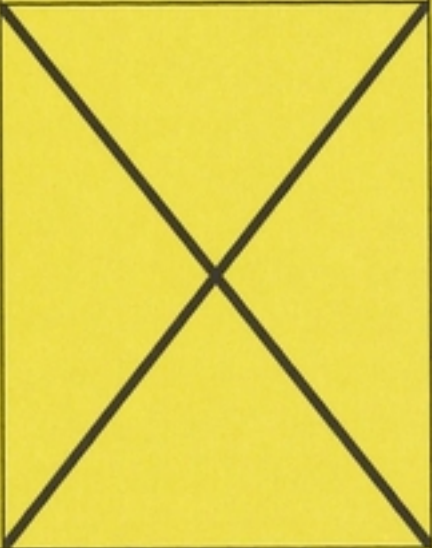
Thank you for your minute of 21 May (A085/1395) attaching a copy of a letter from Sir Antony Duff to Sir Brian Cubbon about action which he is taking following the Security Commission's criticisms of the Security Service's handling of Bettaney. The Prime Minister has seen and noted these papers.

22 May 1985

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10 DOWNING STREET

From the Principal Private Secretary

15 May 1985

SECURITY SERVICE

BK | Thank you for your letter of 14 May, which the Prime Minister has seen and noted. The Prime Minister will look forward to receiving in about a month's time the Home Secretary's proposals for a visit to the Security Service by herself and the Home Secretary.

I am copying this letter to Richard Hatfield (Cabinet Office).

E. E. R. BUTLER

Hugh Taylor, Esq.,
Home Office.

CONFIDENTIAL

SMH

SECRET

Prime Minister -
to seeHOME OFFICE
QUEEN ANNE'S GATE
LONDON SW1H 9AT

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14 May 1985

Dear Robin,

SECURITY SERVICE

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Thank you for your letter of 9 May.

The Home Secretary expects to have a substantial discussion with Sir Antony Duff in about three weeks' time about the follow-up to the Bettaney report. After that meeting he will make proposals for a visit which the Prime Minister and he might make to the Security Service. This will probably need to be in July: Sir Antony is away for the greater part of June.

Sir Antony has given the Home Secretary an initial report on the Security Commission's specific criticisms of the handling of Bettaney. The staff manager mentioned in paragraph 6.7 of the Security Commission's report is due to retire later this year. Sir Antony takes the view that the mistaken judgments and decisions in the handling of Bettaney are now thoroughly understood not only by this staff manager and others directly concerned but by all responsible for the management of the Service. He has not identified any appropriate disciplinary action which could be taken. What is important, in his view, is to ensure that the right general attitude is taken by management as a whole henceforth.

The Home Secretary proposes to discuss this report with Sir Antony at the meeting which I have already mentioned about the follow-up to the Security Commission's report as a whole.

I am copying this letter to Richard Hatfield (Cabinet Office).

Yours GCW,
H H Taylor

H H TAYLOR

SECURITY: Bureau

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10 DOWNING STREET

From the Private Secretary

MR. HATFIELD

SECURITY COMMISSION REPORT ON BETTANEY

I enclose the latest draft of the Prime Minister's statement tomorrow on the Security Commission report, revised after the meeting this afternoon. As I have already mentioned, the draft includes a reference to the report by the Director General to the Prime Minister and the Home Secretary being "later this year". I have placed the last sentence of the statement in square brackets. As you know, we believe that the previous sentence is a sufficiently conclusive end for the statement.

I am sending a copy of this minute and attachment to Miss Lewis-Jones (Lord President's Office), Mr. Taylor (Home Office), Mr. Appleyard (Foreign and Commonwealth Office), Mr. Steel (Law Officers' Department) and to the Director General of the Security Service.

(TIM FLESHER)
8 May 1985

Security

3.31 pm

The Prime Minister Mrs. Margaret Thatcher): With permission, Mr. Speaker, I shall make a statement on security.

On 22 February I received the report of the Security Commission on its inquiry into the case of Michael Bettaney, the former security service officer who was tried for offences under the Official Secrets Acts and was sentenced to 23 years imprisonment in April last year. The report is being presented to Parliament as a Command Paper this afternoon.

The commission has fully examined Bettaney's career in the security service, with the object of identifying any errors on the part of management in relation to Bettaney's employment. It finds that the process of recruiting Bettaney was carried out consistently with the procedures at the time. There is, in fact, no reason to doubt his loyalty at that time, or to suppose that he had at that stage ever contemplated the possibility of turning spy.

The commission makes a number of serious criticisms of the errors by the security service in relation to the management of Bettaney's career. In particular, it concludes that there came a point in October 1982 when there should have been, but was not, a very full investigation of Bettaney's lifestyle, which probably would have led to the removal of his positive vetting clearance and the cessation of his employment in the security service.

It remains the case, however, that Bettaney's attempts to get himself recruited as an agent of the Russian intelligence service were not successful. The security service's investigation that led to Bettaney's eventual conviction was effective and conclusive.

Although in the course of his attempts to get himself recruited Bettaney did communicate some secret information to the Russians, he was arrested before he was able to pass over the major proportion of the secret information that he had collected and the grave damage that would have ensued by such communication was averted.

In the light of its investigation, the commission makes a number of recommendations for changes in positive vetting procedures in the security service. The most significant of these is that, at quinquennial review, special and separate reports should always be called for from all those who have supervised the subject since clearance was last given.

The commission also recommends that the revised and improved arrangements which apply at present only to the more senior grades should now be extended to all staff. These recommendations are being put into effect.

In the course of its investigation the commission received evidence of a more general character which was critical of various aspects of the internal organisation and management of the security service. It did not attempt to pass judgment on those criticisms, but has recorded its impression of aspects of organisation and management which seem to it to require examination and reassessment. The last chapter of the report makes some suggestions for changes in management attitudes and arrangements, and indicates a number of matters which, in the commission's view, call for particular consideration.

These criticisms and suggestions are being thoroughly examined and my right hon. and learned Friend the Home Secretary and I are determined to see that action is taken to remedy management weaknesses.

The new director general is giving the utmost care and attention to the Security Commission's criticism of errors in relation to Bettaney's employment, as well as to the general management criticisms to which I have referred. He will make the changes that are judged to be necessary to improve the organisation and management of the service and will report to my right hon. and learned Friend and me later this year. I shall arrange for his conclusions and measures to be reported to the Security Commission for any further comment that it may wish to make.

Hon. Members on both sides of the House have expressed concern about the handling of members of the service who are troubled over particular matters and activities within the service. The director general has been asked to consider, and to report to my right hon. and learned Friend and me, what developments he proposes by way of internal outlets for the expression of grievances or anxieties of individual members of the service.

Finally, I emphasise that the criticisms of management do not extend to operations or overall efficiency.

Indeed, the Commission says:

"nothing in this report is intended in any way to call in question the professional and operational efficiency of the Security Service, which we believe to be of a high order".

Nevertheless, the criticisms that the Commission makes of the handling of Bettaney's case are serious, and every possible effort will be made to see that the shortcomings that it describes do not occur again.

Mr. Neil Kinnock (Islwyn): The Security Commission's report reveals great managerial inefficiencies within the security service, and I am sure that the whole House and the country will share the concern expressed by the Commission.

Plainly, Britain needs an effective and efficient security service. May I, therefore, welcome the Prime Minister's announcement that she will immediately implement the Commission's recommendations on positive vetting and that the new Director General will attend to the other criticisms made by the Commission?

May I also make it clear to the Prime Minister that, unfortunately, her statement does not meet the real seriousness of the problems illustrated by the Bettaney case? When she says:

"Bettaney's attempts to get himself recruited as an agent of the Russian intelligence were not successful",

it seems that the right hon. Lady betrays a certain complacency. The fact is that no man could have tried harder than Bettaney to get himself recruited to the Russian secret service, and his fortunate incompetence is not a sufficient reassurance about the general condition of our services. Yet another internal reorganisation cannot, and will not, allay the widespread concern about the state of Britain's security services.

The Michael Bettaney case is only the latest in a series of incidents which have shown that our security services are not as proficient as they should be—indeed, must be—in clearing spies from within their own ranks and in detecting and defeating the spies from powers that seek to do us harm.

Does the Prime Minister agree with me that it is wrong that the security services should dissipate time and resources in conducting the surveillance of loyal British

The Prime Minister: I am aware that the validity of medical cards has been a source of some concern for those who represent Northern Ireland seats. I understand that my right hon. Friend the Secretary of State for Northern Ireland answered a question on the issue before I entered the Chamber to the effect that he is taking every step possible to ensure that valid medical cards are available.

Q5. **Mr. Budgen** asked the Prime Minister if she will list her official engagements for Thursday 9 May.

The Prime Minister: I refer my hon. Friend to the reply that I gave some moments ago.

Mr. Budgen: Will my right hon. Friend take this opportunity of welcoming the proposed privatisation of British Gas? Will she explain why this future private monopoly cannot be broken up according to region and function?

The Prime Minister: I join my hon. Friend in welcoming the decision further to privatise, and to privatise the gas industry. My right hon. Friend the Secretary of State for Energy considered whether the gas industry should be broken up either by region or by function. He came to the conclusion that it would take far too long to break up by region and that that would be far too expensive. He recognised, too, that that could have an adverse effect on the price of gas in some areas. For these reasons he decided that it would be better to go ahead by privatising the gas industry as a whole.

Mr. Leighton: Will the Prime Minister take this opportunity to congratulate the membership of SOGAT,

the country's largest printing union, which has recently voted by a majority of nearly 4:1 to retain its political fund?

The Prime Minister: The SOGAT members vote exactly as they will on whether to retain their political fund. They have an opportunity to vote and we insisted that there should be a vote. How they use their vote is a matter for their decision. I shall be only too delighted if more trade unions believe in giving their membership the right to vote by secret ballot. This advance has come about only as a result of the Government's actions.

Mr. Lyell: Does my right hon. Friend agree with the leader of the National Association of Head Teachers that the NUT's refusal to meet the Secretary of State for Education and Science was ill-judged? Does she further agree that the country is entitled to expect an honourable profession not merely to seek to increase its pay by striking, to the sufferance of children, but to come forward with sensible proposals for a restructuring of its profession so that a wise, overall solution can be achieved?

The Prime Minister: Yes, it is disappointing that the NUT will not take part in any meeting with my right hon. Friend. It has said that it wants an improved offer in Burnham and will discuss only this year's pay offer. My hon. and learned Friend is absolutely right to say that we need a restructuring of the profession, proper appraisal provisions and proper contracts of service. Then we can, perhaps, have a much more fundamental talk about the whole pay structure.

people, who have no connection with espionage and pose no threat to the security of this country, when they should be concentrating entirely on real subversives, real spies and real terrorists who do wish us harm?

The Prime Minister has told us of her decision simply to pass to the Director General the evidence to the Security Commission from, as the report says,

"present members of the Service at various levels and from former members".

That evidence is "highly critical" of the service. The right hon. Lady's response to those authoritative criticisms from various levels within the service is not good enough.

Following the report from the Director General, which the right hon. Lady expects later this year, precisely what action will she be prepared to take to remove the problems identified in confidence by those within the service who have made criticisms?

Finally, is the Prime Minister aware that people who share her political affiliation, as well as those who share mine, and people with no political affiliation, believe that it is essential to establish a system of external oversight, representative of all parties, and answerable to the House, with the appropriate safeguards for necessary secrecy? Will she place the security services on a proper statutory footing and establish a parliamentary review procedure so that we can satisfy ourselves and the country that this nation's security is being properly protected?

The Prime Minister: On the right hon. Gentleman's first point, it is a fact that Bettaney was arrested before he was able to hand over some of the information which he accumulated—*[Interruption.]* That is a fact. He was arrested and therefore he was caught within his own organisation before he was able to hand over the information.

Secondly, the Security Commission had two main criticisms. The first concerned the handling of Bettaney's career. The right hon. Gentleman will see that in the paragraphs and chapters of the Security Commission's report it argues very carefully and closely its reasoning. I think that we should leave it to be read in detail and leave the new director general of the security services to deal with that matter, as I am certain he will.

The commission also made a general criticism that it had received from other members of the security services adverse comments on the way in which the service was managed. The commission did not go in to that. The commission did not validate those criticisms, for it is sufficient both for the commission and for us that they were made, and clearly that whole matter must be inquired into. When the Director general has come up with his proposals and put them into operation we shall also refer those proposals to the Security Commission for any further comment that it may make. Therefore, I believe that we have met the legitimate concerns and the serious criticisms of the Security Commission.

The need for external oversight has been argued at length in the House and came up again during the passage of the Interception of Communications Bill. All Governments run the security services in the same way and on the same lines, because they know when they are in power that that is the best way to run them. They must be run under unified management. They cannot be referred to an external group.

Sir Edward Gardner (Fylde): Does my right hon. Friend agree that all that has happened in the past

emphasises and underlines the need for a safe and efficient way of dealing with complaints by members of the security services? Will she consider the recent proposal of right hon. and hon. Members on both sides of the House, including two former Home Secretaries, to appoint a complaints commissioner to deal with complaints internally and without any breach of security by members of the service? Bearing in mind that the American CIA has an ombudsman with powers of oversight — an appointment which has proved to be highly successful, so far as one can gather—does my right hon. Friend agree that such an appointment of a comparable kind here would be the safest of all safety valves?

The Prime Minister: I saw the speech that my hon. and learned Friend made to this effect during the passage of the Interception of Communications Bill. It was generally in line with what he has just said. We are naturally concerned that for those in the security service who have certain strong feelings about duties which they are asked to perform there should be a channel through which they can make their views known.

I believe that quite a lot will occur through a change in the style of management there. I listened carefully to my hon. and learned Friend's comments. Before jumping to any specific conclusion, I have asked the new Director General to consider this with the staff and to put forward proposals. My hon. and learned Friend's proposal will, of course, also be considered.

Dr. David Owen (Plymouth, Devonport): The professional and operational efficiency of the secret services surely must come into question when Bettaney was not competent enough even to be able to be recruited by the Soviet security services. Although Sir Anthony Duff is a very distinguished public servant, will the Prime Minister give careful consideration to the proposal for a complaints ombudsman covering both the security and intelligence services? If the CIA and the FBI are both capable of being subjected to an ombudsman and also to a Select Committee of Congress, surely it is time now for an all-party parliamentary Select Committee of both Houses to be able to scrutinise the secret Vote of both the security and the intelligence services.

The Prime Minister: No. I do not believe that the right hon. Gentleman is correct in the latter part of his question. He did not do that when he was Foreign Secretary, for, I believe, very good reasons. I think that we should continue to enable the secret services to run in a secret way—after all, those against whom they operate always have the benefit of secrecy—and carry on in the way that we have done in that they are responsible to Ministers, whether the Home Secretary or the Foreign Secretary.

With regard to the internal complaints, I have nothing to add to what I have already said about that matter in answer to my hon. and learned Friend the Member for Fylde (Sir E. Gardner).

Sir Anthony Kershaw (Stroud): Will my right hon. Friend discard the obviously fatuous suggestions of the Leader of the Opposition, which would be likely to prove positively harmful in their effect? Nevertheless, will she recognise that the spasmodic reviews of the security services by the great and the good are not adequate for the purpose, and that a permanent inspectorate within the services would be likely to prove the best solution?

The Prime Minister: I have noted my hon. Friend's comments, but I am sure he will agree that the best way is for the new Director General to consider these matters first and make his own recommendations.

Mr. Merlyn Rees (Morley and Leeds, South): As part of the consideration of what the Prime Minister described as internal complaints, will she report to the House later this year on the ideas of the new Director General on this matter? Several of us agree with the Chairman of the Home Affairs Committee that the best channel would be a sort of ombudsman inside MI5. It took the Bettaney case to achieve any consideration of the matter, and I accept any criticism that might fall on me because of it. It is a serious matter, and the hon. Member for Stroud (Sir A. Kershaw) has made a very good suggestion.

The Prime Minister: Without any commitment, may I consider what the right hon. Member for Morley and Leeds, South (Mr. Rees) has said? It is important to find a solution, and it is important that I report that a solution has been found. I would need to consider whether it would be wise to report the solution precisely.

Mr. Jonathan Aitken (Thanet, South): Does my right hon. Friend agree that in the aftermath of the Blunt revelations about six years ago both she and the then Home Secretary, Lord Whitelaw as he now is, indicated that there would from then on be the tightest possible ministerial oversight of security services? Is it not an uncomfortable fact that the weaknesses revealed by today's statement show that pure ministerial oversight, however good the Ministers may be, is not quite good enough? Will she now be a little more sensitive to the views, held in all parts of the House, that some form of Privy Councillors' committee or ombudsman would reassure public opinion in this area?

The Prime Minister: I think that my hon. Friend would be the first to accept that Ministers should not get involved in the day-to-day management of any service. I am sure that he would accept that. The criticism in the Bettaney case was of that kind of management. That is being inquired into and, I believe will be put right. There are also certain proposals as to what should happen on the quinquennial review of vetting, which was where the problems arose. I do not think that it would be helpful to the security services to have their operations and their management exposed to cross-examination in this House. I think that it would be highly damaging to them.

Mr. A. J. Beith (Berwick-upon-Tweed): Would a purely internal outlet for the expression of grievances of individual members of the service have dealt with the situation where a senior official of MI5 believed that the then Director General, Sir Roger Hollis, was a spy and found himself under investigation for pursuing that line of inquiry?

The Prime Minister: I have already made my views on that quite clear and given the official statement. Therefore, I am surprised at the hon. Gentleman raising it again under the Bettaney case.

I believe that there could be an internal route under a different style of management. It is being considered. The hon. Gentleman heard the reply that I gave to the right hon. Member for Morley and Leeds, South.

Mr. John Browne (Winchester): Will my right hon. Friend accept that many people feel that she is doing her

level best to restore the credibility of the security services, but that some of us feel, in the light of the infiltrations at a very senior level and the continued catalogue of errors such as the one we are now facing, that that must call into question not only the management but the actual operation of the security services? For that credibility—which is the key issue—to be restored, surely nothing short of forming a new service will suffice?

The Prime Minister: I do not agree with my hon. Friend. As he will be well aware, the security service has had its very considerable successes, and those successes have received much less publicity than problems of this kind.

I do not believe that we need a new service. I hope that my hon. Friend will recognise the excellent work that the security services do, and try to boost their morale rather than to lower it.

Mr. David Winnick (Walsall, North): Is the right hon. Lady aware that what is so disturbing about her report is that she refuses to comment on, let alone take action over, the allegations that a number of people have been investigated by MI5 and the special branch, not because they were subversive in any possible sense, but because of their opinions? I remind the right hon. Lady of the case of Mrs. Haigh in the west midlands.

Secondly, may I ask the Prime Minister why, in replies to me, she has said that she would not give permission for the newly appointed Director General of MI5 to give evidence, if invited, before a Select Committee, or to come here perhaps once a year to answer questions from hon. Members? Does the Prime Minister not recognise—unlike some of her hon. Friends—that if there is to be confidence in MI5 and the security services, some degree of parliamentary accountability is necessary?

The Prime Minister: The hon. Gentleman will be aware of Lord Harris's definition of subversion. Only when activities fall within that definition are they investigated. The hon. Gentleman referred to further accountability to the House. I remind him of the view taken during the lifetime of the last Labour Government. On 28 July 1977 a Home Office Minister said:

"I am inhibited from commenting on the allegations in any detail by the long-standing and well-established convention that these matters are not discussed across the Floor of the House."
—[Official Report, 28 July 1977; Vol. 936, c. 1223.]

I believe that in the case of this service it is necessary to continue that practice.

Dr. John Marek (Wrexham): Is the right hon. Lady satisfied that the personal information that is held and is exempt under section 27 of the Data Protection Act on the ground of national security is relevant to national security, and that no irrelevant information is held? In view of what has been said by hon. Members after her statement today, will the right hon. Lady consider what may be the best way of reassuring the British public that that is so?

The Prime Minister: I do not believe that that question arises from the commission's report on the Bettaney case. I believe that these matters were discussed during the passage of the Interception of Communications Bill, and I have nothing to add to what was said then.

Several Hon. Members rose—

Mr. Speaker: Order. There is a very important debate to follow. I shall take one more question.

Business of the House

3.54 pm

The Lord Privy Seal and Leader of the House of Commons (Mr. John Biffen): With permission, Mr. Speaker, I should like to make a statement concerning next week's business. It will be as follows:

Monday 13 May — Until seven o'clock, private Members' motions. Remaining stages of the Surrogacy Arrangements Bill, and of the Prosecution of Offences Bill [*Lords*].

The Chairman of ways and Means has named opposed private business for consideration at seven o'clock.

Tuesday 14 May — Second Reading of the Oil and Pipelines Bill. Remaining stages of the Ports (Finance) Bill.

Wednesday 15 May — Opposition Day (11th Allotted Day). There will be a debate on an Opposition motion titled "The Government's Neglect of British Industry and the New Technologies."

Motion on the Unfair Dismissal (Variation of the Qualifying Period) Order.

Thursday 16 May — Motion on the Spring Adjournment.

Second Reading of the Administration of Justice Bill [*Lords*].

Friday 17 May — Private Members' Bills.

Monday 20 May — Debate on a Government motion on the report of the Auld committee of inquiry into proposals to amend the Shops Acts, Cmnd. 9376.

The House will wish to know, Mr. Speaker, that it will be proposed that the House should rise for the Spring Adjournment on Friday 24 May until Monday, 3 June.

Mr. Neil Kinnock (Islwyn): I am grateful to the right hon. Gentleman for his statement.

In view of the hostility that the Unfair Dismissal (Variation of the Qualifying Period) Order will arouse among hourly paid workers, will the right hon. Gentleman ensure that more time is given for that debate next Wednesday so that more right hon. and hon. Members can participate, as the subject will affect many workers in Britain?

May I ask the right hon. Gentleman, for the sixth time, for a debate on the report of the Commission for Racial Equality and tell him that we want such a debate to be held on a day and at a time when it can be reported fully in the press?

Is the right hon. Gentleman aware that there is growing anxiety among management and workers at the prospect of the social security review and its findings undermining the state earnings-related pension scheme, which workers depend on to provide them with pensions that will free them of the need to claim social security in retirement? The Prime Minister said earlier that the discussion of these matters in Cabinet had been concluded. When will we have a statement? Will it attend to each of the subjects separately, or does the right hon. Gentleman hope that they will be lumped together, thereby somewhat restricting the discussion that should take place?

Mr. Biffen: The right hon. Gentleman will have heard that it is proposed that the White Paper should be published shortly after we return from the Whitsun recess and be accompanied by a statement to the House. I note what he said about the desirability—

Dr. Oonagh McDonald (Thurrock): It is a Green Paper.

Mr. Biffen: I am most grateful for that correction. It is a Green Paper. We are linked in a dream partnership that has saved me from those incautious words. I take the right hon. Gentleman's point about the ambit of the statement and will refer it to my right hon. Friend the Secretary of State.

I note what the right hon. Gentleman said about a debate on the report of the Commission for Racial Equality. He will appreciate that this matter has been attended to through the usual channels. I shall ensure that the matter is further attended to.

I take account of the right hon. Gentleman's request for extended time on the debate on the unfair dismissal order on Wednesday. That matter can be helpfully attended to through the usual channels.

Mr. J. Enoch Powell (South Down): Did the Leader of the House notice that the House got on to the Adjournment last night at 8.17 pm? Is this not difficult to reconcile with any suggestion that the Government might find it difficult to provide a little time for the passage of measures desired by the House?

Mr. Biffen: The right hon. Gentleman is entitled to travel hopefully. It is in the essence of Parliament that it should be unpredictable, above all, about the Committee stages of Finance Bills, which are greatly influenced by the wishes of the Opposition. I am not sure whether the Government can be blamed if business ends a little early.

Several hon. Members rose—

Mr. Speaker: Order. This is an appropriate moment to say that there is nothing unpredictable about the number of hon. members who wish to participate in the debate on the multi-fibre arrangement. In view of that, I shall allow business questions to continue until 4.15 pm.

Mr. Harry Greenway (Ealing, North): In view of the damage being done to schoolchildren and schools by the Militant Tendency and the Young Socialist organisation of the Labour party office, which are subverting schoolchildren dangerously, keeping them out of school and closing schools, may we have an early statement from the Secretary of State for Education and Science, on which hon. Members may question him and seek an assurance from him that schools will not be closed because those organisations are damaging children's chances of education?

Mr. Biffen: I shall refer my hon. Friend's point to my right hon. Friend the Secretary of State for Education and Science. He makes a legitimate point about a matter which has caused a great deal of anxiety. However, I must point out that he has a chance of raising the matter on the motion for the Spring Adjournment.

Mr. James Hamilton (Motherwell, North): Will the Leader of the House bear in mind the report in the media that the Secretary of State for Scotland will today make a statement about rates in Scotland at the Tory party conference? Will he ensure that the Secretary of State for Scotland makes the self-same statement in the House, and apologises to the House for making the statement outwith the elected Chamber?

Mr. Biffen: If my right hon. Friend the Secretary of State for Scotland is locked in conclave with the

Mr. Ernie Roberts (Hackney, North and Stoke Newington): In view of the serious statement on security by the Prime Minister, will she consider withdrawing a statement sent to me from the Cabinet Office Management and Personnel Office? The Minister concerned said that it was the Government's

"declared policy to introduce competitive tendering for services, including security guarding, in Government Departments . . . I cannot go into detail about the steps which are taken to ensure the suitability of commercial guarding companies".

That is what I was told, and yet the Prime Minister makes statements about her concern for national security.

I am not prepared to allow private companies to be responsible for the security of the correspondence of hon. Members. *[Interruption.]* Hon. Members may laugh. The citizens of this country are entitled to security for their correspondence with their Members of Parliament. To place that security in the hands of private companies—

Mr. Speaker: Order. Does the question have anything to do with the security services?

Mr. Dennis Skinner (Bolsover): On a point of order, Mr. Speaker.

Mr. Speaker: I shall take the point of order afterwards.

Mr. Skinner: It is relevant to the statement, Mr. Speaker.

Mr. Speaker: Order. I shall take the point of order afterwards.

Later—

Mr. Harry Cohen (Leyton): On a point of order, Mr. Speaker.

Mr. Speaker: Order. I hope that the hon. Gentleman will be brief, as we have a busy day.

Mr. Cohen: My point of order arises from the Prime Minister's statement. As you will recall, Mr. Speaker, there were only four hon. Members standing at the end of the Prime Minister's statement—myself, my hon. Friend the Member for Newham, North-West (Mr. Banks), who had been trying to ask a question all the time, my hon. Friend the Member for Bolsover (Mr. Skinner), who began to seek to ask a question in the middle of questions, and the hon. Member for Littleborough and Saddleworth (Mr. Dickens), who began to seek to ask a question at the end of questions. You, Mr. Speaker, moved on without calling us, but at the end of business questions you said that you

would take questions until 4.15, but called all those hon. Members who had been seeking to ask questions up to now, 4.24. That is wrong, Mr. Speaker, because—

Mr. Speaker: Order. Let me stop the hon. Gentleman right there. These are different matters. The hon. Member will accept that business questions are prized Back-Bench opportunities to put questions to the Leader of the House. He will know that I always seek to call as many hon. Members as possible on business questions. I cannot always call everybody on statements; it would be impossible to do so. More than 32 hon. Members wish to take part in the next debate. I am sure that the hon. Gentleman does not wish to delay that, because many of those hon. Members are colleagues from his side of the House.

Mr. Cohen: I understand that, Mr. Speaker, but the point needs to be made. I appreciate your point about business questions being prime time for Back Benchers, but so are statements on security services. The chances for hon. Members to ask questions are fewer on this subject than on business questions. When we try to raise the matter, it is blocked by the Table Office. I wanted to raise three clear points with the Prime Minister, none of which were made during the supplementary questions. I wanted to ask that anyone in the security services—

Mr. Speaker: Order. The hon. Gentleman cannot do that. I have to exercise discretion. He will know that there are other opportunities to put his questions. I try to be as fair as possible in allocating the available time. I cannot take further points on that now.

Mr. Cohen *rose*—

Mr. Speaker: Order. The hon. Gentleman is being selfish in seeking to keep out other hon. Members. The only sanction that I shall have is to call more hon. Members from Conservative and alliance Benches if the hon. Gentleman wishes to take time from his colleagues.

Mr. Cohen: A question arises out of your first ruling, Mr. Speaker. You said that there are other opportunities for Back-Bench Members to raise this matter. Where are those opportunities for debate on the security services? The Leader of the House said that there will not be a debate next week.

Mr. Speaker: Order. The hon. Gentleman will have to find other opportunities.

Mr. Cohen: There are none.

WHY ARE APPENDICES C, D AND E NOT PUBLISHED?

It would not be in the interests of the operation of national security.

WHY NOT?

Two of the appendices contain material which it is not desirable to publish on security grounds. The third - Appendix D - contains criticism of the internal organisation and managements of the security service which the Security Commission received but did not assess or form judgements on their validity.

In these circumstances the Chairman of the Security Commission agreed that it would not be right to publish this evidence.

WHY HAS IT TAKEN SO LONG TO PUBLISH THE REPORT?

The Government received the report just over 2 months ago as a new Director General of the security service was about to take office. It was right for the new Director General to have a chance to consider the report before we presented our reactions to the House.

WHY ARE THE DIRECTOR GENERAL'S PROPOSALS ON PROVIDING AN OUTLET FOR COMPLAINTS TO BE REPORTED TO THE PRIME MINISTER AND THE HOME SECRETARY AND NOT TO THE SECURITY COMMISSION OR THE HOUSE?

The need for an outlet for complaints by members of the security service was not one of the matters on which the Security Commission made a recommendation. It is part of the general management of the service for which my Rt Hon and learned Friend and I are responsible to the House.

RANDOM SEARCHES [To be provided by Mr Hatfield.]

CHECK AGAINST DELIVERY

PRIME MINISTER'S STATEMENT

SECURITY

THURSDAY 9 MAY 1985

WITH PERMISSION, MR. SPEAKER, I SHALL MAKE A STATEMENT ON
SECURITY.

ON 22 FEBRUARY I RECEIVED THE REPORT OF THE SECURITY
COMMISSION ON THEIR INQUIRY INTO THE CASE OF MICHAEL
BETTANEY, THE FORMER SECURITY SERVICE OFFICER WHO WAS
TRIED FOR OFFENCES UNDER THE OFFICIAL SECRETS ACTS AND
WAS SENTENCED TO 23 YEARS' IMPRISONMENT IN APRIL LAST
YEAR.

THE REPORT IS BEING PRESENTED TO PARLIAMENT AS A COMMAND
PAPER THIS AFTERNOON.

THE COMMISSION HAVE FULLY EXAMINED BETTANEY'S CAREER IN THE
SECURITY SERVICE, WITH THE OBJECT OF IDENTIFYING ANY
ERRORS ON THE PART OF MANAGEMENT IN RELATION TO
BETTANEY'S EMPLOYMENT.

THE COMMISSION FIND THAT THE PROCESS OF RECRUITING BETTANEY WAS CARRIED OUT CONSISTENTLY WITH THE PROCEDURES AT THE TIME.

THERE IS IN FACT NO REASON TO DOUBT HIS LOYALTY AT THAT TIME, OR TO SUPPOSE THAT HE HAD AT THAT STAGE EVER CONTEMPLATED THE POSSIBILITY OF TURNING SPY.

THE COMMISSION MAKE A NUMBER OF SERIOUS CRITICISMS OF THE ERRORS BY

THE SECURITY SERVICE IN RELATION TO THE MANAGEMENT OF BETTANEY'S CAREER.

IN PARTICULAR, THEY CONCLUDE THAT THERE CAME A POINT IN OCTOBER 1982 WHEN THERE SHOULD HAVE BEEN, BUT WAS NOT, A VERY FULL INVESTIGATION OF BETTANEY'S LIFESTYLE, WHICH WOULD PROBABLY HAVE LED TO THE REMOVAL OF HIS POSITIVE VETTING CLEARANCE AND THE CESSATION OF HIS EMPLOYMENT IN THE SECURITY SERVICE.

IT REMAINS THE CASE, HOWEVER, THAT BETTANEY'S ATTEMPTS TO GET HIMSELF RECRUITED AS AN AGENT OF THE RUSSIAN INTELLIGENCE SERVICE WERE NOT SUCCESSFUL.

THE SECURITY SERVICE'S INVESTIGATION WHICH LED TO BETTANEY'S EVENTUAL CONVICTION WAS EFFECTIVE AND CONCLUSIVE.

ALTHOUGH IN THE COURSE OF HIS ATTEMPTS TO GET HIMSELF RECRUITED BETTANEY DID COMMUNICATE SOME SECRET INFORMATION TO THE RUSSIANS, HE WAS ARRESTED BEFORE HE WAS ABLE TO PASS OVER THE MAJOR PROPORTION OF THE SECRET INFORMATION THAT HE HAD COLLECTED AND THE GRAVE DAMAGE THAT WOULD HAVE ENSUED BY SUCH COMMUNICATION WAS AVERTED.

IN THE LIGHT OF THEIR INVESTIGATION, THE COMMISSION MAKE A NUMBER OF RECOMMENDATIONS FOR CHANGES IN POSITIVE VETTING PROCEDURES IN THE SECURITY SERVICE.

THE MOST SIGNIFICANT OF THESE IS THAT, AT QUINQUENNIAL REVIEW, SPECIAL AND SEPARATE REPORTS SHOULD ALWAYS BE CALLED FOR FROM ALL THOSE WHO HAVE SUPERVISED THE SUBJECT SINCE CLEARANCE WAS LAST GIVEN.

THE COMMISSION ALSO RECOMMEND THAT THE REVISED AND IMPROVED ARRANGEMENTS WHICH APPLY AT PRESENT ONLY TO THE MORE SENIOR GRADES SHOULD NOW BE EXTENDED TO ALL STAFF.

THESE RECOMMENDATIONS ARE BEING PUT INTO EFFECT.

IN THE COURSE OF THEIR INVESTIGATION, THE COMMISSION RECEIVED EVIDENCE OF A MORE GENERAL CHARACTER WHICH WAS CRITICAL OF VARIOUS ASPECTS OF THE INTERNAL ORGANISATION AND MANAGEMENT OF THE SECURITY SERVICE.

THEY DID NOT ATTEMPT TO PASS JUDGEMENT ON THOSE CRITICISMS, BUT HAVE RECORDED THEIR IMPRESSION OF ASPECTS OF ORGANISATION AND MANAGEMENT WHICH SEEM TO THEM TO REQUIRE EXAMINATION AND REASSESSMENT.

THE LAST CHAPTER OF THE REPORT MAKES SOME SUGGESTIONS FOR CHANGES IN MANAGEMENT ATTITUDES AND ARRANGEMENTS, AND INDICATES A NUMBER OF MATTERS WHICH IN THE COMMISSION'S VIEW CALL FOR PARTICULAR CONSIDERATION.

THESE CRITICISMS AND SUGGESTIONS ARE BEING THOROUGHLY EXAMINED AND MY RIGHT HON. AND LEARNED FRIEND THE HOME SECRETARY AND I ARE DETERMINED TO SEE THAT ACTION IS TAKEN TO REMEDY MANAGEMENT WEAKNESSES.

THE NEW DIRECTOR GENERAL IS GIVING THE UTMOST CARE AND ATTENTION TO THE SECURITY COMMISSION'S CRITICISM OF ERRORS IN RELATION TO BETTANEY'S EMPLOYMENT, AS WELL AS TO THE GENERAL MANAGEMENT CRITICISMS TO WHICH I HAVE REFERRED.

HE WILL MAKE THE CHANGES WHICH ARE JUDGED TO BE NECESSARY TO IMPROVE THE ORGANISATION AND MANAGEMENT OF THE SERVICE AND WILL REPORT TO MY RIGHT HON. AND LEARNED FRIEND AND ME LATER THIS YEAR.

I SHALL ARRANGE FOR HIS CONCLUSIONS AND MEASURES TO BE REPORTED TO THE SECURITY COMMISSION FOR ANY FURTHER COMMENT THEY MAY WISH TO MAKE.

HON. MEMBERS, ON BOTH SIDES OF THE HOUSE, HAVE EXPRESSED CONCERN ABOUT THE HANDLING OF MEMBERS OF THE SERVICE WHO ARE TROUBLED OVER PARTICULAR MATTERS AND ACTIVITIES WITHIN THE SERVICE.

THE DIRECTOR GENERAL HAS BEEN ASKED TO CONSIDER, AND TO REPORT TO MY RIGHT HON. AND LEARNED FRIEND AND ME, WHAT DEVELOPMENTS HE PROPOSES BY WAY OF INTERNAL OUTLETS FOR THE EXPRESSION OF GRIEVANCES OR ANXIETIES OF INDIVIDUAL MEMBERS OF THE SERVICE.

FINALLY, I EMPHASISE THAT THE CRITICISMS OF MANAGEMENT DO NOT EXTEND TO OPERATIONS OR OVERALL EFFICIENCY.

INDEED THE COMMISSION SAY THAT - AND I QUOTE -

"NOTHING IN THIS REPORT IS INTENDED IN ANY WAY TO CALL IN QUESTION THE PROFESSIONAL AND OPERATIONAL EFFICIENCY OF THE SECURITY SERVICE, WHICH WE BELIEVE TO BE OF A HIGH ORDER".

NEVERTHELESS THE CRITICISMS THE COMMISSION MAKE OF THE HANDLING OF BETTANEY'S CASE ARE SERIOUS AND EVERY POSSIBLE EFFORT WILL BE MADE TO SEE THAT THE SHORTCOMINGS THEY DESCRIBE DO NOT OCCUR AGAIN.