

28th March, 1974

Ref: A06636

RPA
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In my letter A06349 of 4th March, I implied that I should be consulting the Prime Minister about the handling of industrial intelligence. I have now had an opportunity to do this and have established that it would be in accordance with his wishes for the two groups of officials, which dealt under the last Administration with Industrial Assessments (IAG) and Subversion in Public Life (SPL), to resume their activities on a secure and discreet basis.

An important change, however, is that their reports are to be prepared for the benefit of the Permanent Secretaries concerned and not for Ministers and the terms of reference of SPL are amended accordingly.

The Permanent Secretaries who, together with Michael Hanley and me, will receive and be concerned with all these reports are yourself and Conrad Heron. Copies will also go to Robert Armstrong at No. 10. Because their Ministers will no longer be receiving this material, William Armstrong, Tom Brimelow, Douglas Allen, Jack Rampton, Antony Part, Ned Dunnatt and Nick Morrison will no longer have a need to see the entire output of the IAG and SPL groups; in future they will receive only those papers which are of departmental interest to them (although Reddaway (FCO) and [redacted] (Scottish Office) will continue to receive SPL papers as members of that group). Despite any intervals of apparent silence they will be able to rest assured that the Security Service will continue to keep itself informed about subversive activity in industry.

Leaving aside the position of the Home Secretary, which will of course be different because of his responsibility for the Security Service, Permanent Secretaries are authorised to reveal to the Ministers in charge of their Departments such of the contents of these reports as they have a genuine need to know, but the aim should be to avoid revealing the nature of the sources; an element of discretion about this will inevitably have to be left with Permanent Secretaries in view of the paramount importance of protecting those sources.

/The existence

Sir Arthur Paterson, KCB, MVO

The existence of the IAG and SPL groups will of course remain secret, and knowledge of their existence must continue to be confined to those who are positively vetted and have a need to know under the new arrangements which I have described. The provisions made under the last Administration for the safeguarding of this special intelligence material will be maintained, and I have asked Mike Harman (Secretary of the Joint Intelligence Committee) to issue to Control Officers an up-dated version of his guidance on the arrangements in general and Control Officers' duties in particular; as a first step, however, he will be asking your Control Officer and those in the Departments to which I am copying this letter, to let him have, with the personal approval of their Permanent Secretaries, a revised list of the officials who need to continue to receive personal copies of SPL or IAG reports or to see them under departmental arrangements.

I am sending copies of this letter to those shown on the attached list.

JOHN HUNT

(John Hunt)

[REDACTED]

**DISTRIBUTION LIST FOR COPIES OF SIR JOHN HUNT'S LETTER
TO SIR ARTHUR PETERSON DATED 25th MARCH 1974**

Mr. R. T. Armstrong	10 Downing Street
Sir William Armstrong	GSD
Sir Thomas Brimelow	FCO
Sir Douglas Allen	Treasury
Mr. C. F. Heron	Department of Employment
Sir Jack Rampton	Department of Energy
Sir Antony Part	Department of Industry
Sir James Durnett	Ministry of Defence
Sir Nicholas Morrison	Scottish Office
Sir Michael Hanley	Security Service

For Information:

Mr. P. D. Nairne	Cabinet Office
Sir Leonard Hooper	Cabinet Office
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