

TOP SECRET.COMMENTS BY "C" ON THE REPORT BY SIR HORACE SEYMOUR
ON HIS ENQUIRY INTO THE SECRET INTELLIGENCE SERVICE.

1. The recommendations at the conclusion of the Report have my general support, subject to the following comments on the method by which they will be implemented which have the full support of the ex-"C". Some comments of lesser importance are attached at Appendix "A".

Recommendations (a), (b), (c) and (d) - Three A.C.S.Ss.

2. It should be appreciated that the creation of three new posts of A.C.S.S. will make a fundamental change in the "balance of power" in the Headquarters. Until a few months ago there was one A.C.S.S. who, broadly speaking, carried out the responsibilities of the proposed A.C.S.S. (Requirements). Owing to difficulties in personalities this title has lapsed and has been replaced by a Director of Requirements. Next in status come three Chief Controllers, who each command the Stations in their geographical areas. There are four Staff Directorates which assist "C" and "V/C" in their direction of the Chief Controllers and support the latter in their tasks. By having these Chief Controllers with this status, it has been possible for them to resist undue demands being put on the Stations and strongly voice their needs to the Staff Directorates.

3. The effect of the new organisation is to up-grade three of the existing four Director posts to A.C.S.S. and to place the fourth under one of the A.C.S.Ss. These A.C.S.Ss will be senior to the Chief Controllers, as opposed to the present system, and the status of the latter will be lowered. This tendency will be increased as, for one reason or another, none of the existing Chief Controllers will be available shortly in those posts, and I shall for a few years have to do without them and deal direct with Controllers.

4. While, therefore, I agree that three A.C.S.Ss may ease my burden in one direction, I fear that it may result in weaker control and support of Stations and thus increase my burden in another. Nevertheless, I agree with the recommendation as one to be aimed for. My chief reason for agreeing is that the background of two of the three officers under consideration for A.C.S.S. better fits the proposed A.C.S.S. posts than Chief Controller.

5. As will be appreciated, I shall have to overcome certain difficulties over personalities before I shall be in a position to create the three new A.C.S.S. posts, and I may well be unable to remove these difficulties for some time. It is for this reason that I allowed the single A.C.S.S. post to lapse when I was appointed "C".

Recommendations (e), (f) and (g) - Increased Pay and Allowances.

6. I greatly welcome these recommendations that I should

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improve the financial position of my officers and will have their terms of service carefully examined. I am conscious that officers serving at home are hard up, but our desire to improve their position has been tempered, perhaps unduly, by the Government's policy over wage increases.

7. Officers serving abroad have, in fact, been relatively much better off and I have always been under the impression that, except for a few cases, they were satisfied. They compare reasonably favourably with the other members of the Mission in which they serve, if their cover rank is the basis of comparison. Increasingly, however, it may be more just to make age the basis. I must also point out that our officers are not expected to move in diplomatic society for a greater extent than the minimum necessary for cover purposes, as intelligence gathering is not usually furthered that way.

Recommendation (h) - Proportion of Career to Contract Officers.

8. While I can readily agree to try to keep the proportion of established to unestablished Intelligence Officers at the present ratio of 356 to 220 (the figures quoted in the table in Para. 6 of the Report as 381 and 195 respectively are not correct), I am doubtful as to our ability to increase the proportion of unestablished. In any case, to do so with good officers would be extremely difficult. Actually, over the last four years, we have recruited 152 contract and 141 career Intelligence Officers, the latter figure including 127 G. I. Os.

Recommendation (i) - Responsibility for Personnel Security.

9. Up to the present, Inspector of Security has had direct access to C.S.S. and V.C.S.S. Advantage of this has been taken in the most delicate insecurity cases in order to confine the knowledge. When such cases arise, they usually stem from information which is a by-product of the work of the Counter Espionage Section of R.5., often aided by the product of G.C.H.Q. There is some difficulty, therefore, in putting I. of S. firmly under the Administrative Branch unless a considerable staff in that Branch are "indoctrinated" and allowed to possess other information normally handled by R.5. Nevertheless, I feel the recommendation can be accepted, provided I make special arrangements to isolate the information concerning such cases as I have in mind.

Recommendation (j) - Security Check on Secretaries after 2 Years' Service.

10. In view of the fact that over the last four years we have averaged 105 secretaries (not 200 as stated in Para. 28 of the Report) leaving the Service, and of the considerable effort involved in positive vetting being repeated after two years' service, I am averse to carrying out this recommendation fully. A full check after two years of anyone whose background is not well known should be practicable and adequate. However, I am not clear as to the advantage of repeating after

two years positive vetting of those secretaries who have remained in the Service.

Recommendations (k) and (l) - Services Representation.

11. Should the proposal that a senior Services officer be appointed to act as Services Representative to "C" be concurred in by the Service Directors of Intelligence, I would welcome the appointment with three provisos:-

(a) It would be only fair that "C" should be consulted about the appointment.

(b) In his work of "supervisor of R.2, R.3 and R.4" the officer must be responsible to A.C.S.S. (Requirements). (In this connection, it seems that the rank of Rear Admiral would be excessive.) The work of R. Sections is so inter-woven with that of Controllers that any other solution would be impractical.

(c) The power of the Services Representative to call meetings attended by representatives of the Service Directorates of Intelligence and by Controllers of Production Sections must not be too frequent, if the latter fully occupied officers are not to become over-burdened and the position of Service R. Sections weakened; or bring in too many of the former and go into too great detail if security is not to suffer.

Recommendations (n), (o), (p) and (r) - Foreign Office Representation.

12. The appointment of a senior Foreign Office Advisor to "C" is welcomed but, for the reasons just given in Para. 11(b) above, I do not see how he can "supervise the work of R.1, R.5. and R.6. only in so far as it affects the Foreign Office" unless, in that aspect of his work, he is responsible to A.C.S.S. (Requirements). I am not clear as to what exactly "supervise" means. The political and economic warfare activities of these sections carried out on behalf of the Dixon Committee and I.R.D. "affect the Foreign Office" but require our own technical experience.

13. The work of R.1. is of great importance to the Foreign Office and can best be carried out by someone not only with a political background (which this Service can supply, unlike Service intelligence background), but also with practical experience of our work in the field. It is for that reason that Service R. Sections are less effective than the others. I suggest, therefore, that the Foreign Office would be the losers if the head of R.1. were a seconded Foreign Service officer liable to change every few years. This Service also would lose an appointment that justifies a senior rank and provides good political intelligence experience. I therefore urge that the seconded officer should be second in command to the head of R.1. and of Grade 7. I would also regret losing another S.I.S. officer in R.1. and recommend that the Grade 8 officer should not be seconded.

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Recommendation (q) - Seconding S.I.S. Officers to Customer Ministries.

14. I consider the most important need for secondments of S.I.S. officers is the Foreign Office; firstly to I.R.D. and perhaps P.U.S.D., owing to the complementary nature of some of our work. I am not yet convinced of the value of secondments to the Service Ministries, particularly as such appointments may tend to blur the responsibilities of the Service R. Sections.

Recommendation (s) - Keeping Heads of Missions informed.

15. While in principle this recommendation is accepted, I strongly urge that its implementation in non-Iron Curtain countries be carried out with great moderation and with full regard to the consequences. Our unacknowledgeable activities cannot be welcome to the majority of Heads of Missions; they are now carried out in considerable numbers; they are usually complex in nature and often require urgent decisions. I fear divided responsibility, loss of speed and considerable additional work on the part of my Representatives, and would point out that our actions since 1945 this side of the Iron Curtain have not resulted in any serious embarrassment.

Recommendation (y) - Use by S.I.S. Officers of P.C.O. Cover.

16. I should be opposed to the entire abolition of P.C.O. cover. A variety of cover is some protection in itself and it appears that Service Attaché posts, in Iron Curtain countries at least, may well be subject to as much suspicion as a Visa Officer. Apart from the continued need for a variety of cover, the scarcity of cover appointments for my officers would be gravely accentuated if I could no longer rely on the use of some P.C.O. posts.

9th July, 1952.

Para. 6 of Report

The figures quoted in the table should be amended as follows:-

For Established I.Os 381 read 356

For Unestablished I.Os 195 read 220.

For total number of Established Officers 458 read 433.

For total number of Unestablished Officers 220 read 245.

Para. 13 of Report.

Better co-ordination within Headquarters for the recruitment, appointment and promotion of officers has frequently been considered but has so far always been rejected, owing to the difficulty of fitting together suitably qualified officers of conflicting personalities. In any case, while there are advantages in bringing the A.O.A. under a Director of Personnel, equally there are arguments against this, for the same reasons that the three Service Ministries have what in the War Office is called a Military Secretary. However, the time is now opportune to make certain changes in senior appointments and to rationalise the administrative structure under an A.C.S.S. (Administration).

Para. 18, top of page 13.

The figures quoted in the table are somewhat misleading. Those under "career" are for G.I.Os, to which should be added corresponding figures for I.Os, viz:-

1948 - 10

1949 - 2

1950 - 1

1951 - 1

giving totals for all I.Os as:-

1948 - 55

1949 - 30

1950 - 23

1951 - 33

Grand Total: 141

The figures for contract officers are best given for I.Os of all types as follows:-

1948 - 33

1949 - 38

1950 - 31

1951 - 50

Total: 152

Para. 21 of Report.

While we can never be fully satisfied with our contacts within Universities, particularly Oxford and Cambridge, they are by no means to be despised. At Oxford we have four members of the University Appointments Committee and six other talent scouts acting for us. Similar figures for Cambridge are three and nine. We also have talent scouts in other Universities, including a special recruiting representative in the North. The recruiting staff visit Oxford and Cambridge once every two months and the Northern Universities once a year.

Para. 34, Page 23, Lines 8-11.

While it is perhaps true to say that traditional methods of penetrating the Soviet Union and the Satellites are no longer adequate, and indeed will never prove adequate, I would not wish it stated that it is an accepted fact that they are no longer suitable.

Para. 47, Page 31, 6th Line from the bottom.

The Assistant F.O.A. would not be a suitable member of the senior Selection Board, which spends most of its time discussing matters of policy and the affairs of senior officers.

Para. 60, Page 41, Line 9.

The extent to which it is necessary for an S.I.S. officer under diplomatic cover to "work that cover carefully" varies so greatly according to the conditions in the country concerned, and the extent to which the officer is known to the Secret Services of that country, that it is impossible to generalise in this matter. I do, however, urge that the extent of that cover work should be kept to the essential minimum or the amount of S.I.S. work which the officer can do will be much reduced.

9th July, 1952.