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CHAPTER 13.

SALMON BUT NOTHING FRESH.

I was sentenced towards the end of April 1974, and in the months following my going to prison, far from the Poulson Affair dropping from the front pages, it kept recurring with ever bigger headlines.

Stories which appeared in the Sunday Observer, written by the well informed Adam Raphael, were full of reason and information. Private Eye was well to the fore with stories clearly based on the most sensitive sources of police and prosecution information. The names of Reginald Maudling and Jeremy Thorpe were added to a number of other famous names making news at the same time.

In the background a well respected police investigator had resigned as rumours about corruption in the Metropolitan Police were rife.

Harold Wilson had returned to his post as Prime Minister in 1974 and the Ted Short incident had alerted him, at very close range, to the consequences on any one contaminated with the Poulson Affair. The prosecution from taking a no-action decision on the "Dossier" in 1970, had swung to a position of taking every action, no matter how irrational.

It was Sir Harold Wilson who had once said, "Royal Commissions, take minutes and waste years" but his answer to the crescendo of public concern about the Poulson Affair was to set up a Royal Commission.

It is important at this stage to reiterate the comments of Ian Aitken, in the "Guardian", when commenting on the disclosure by me of my payment to Short. He wrote; "But yesterday's revelations in the Daily Express of the text of a letter in which Mr. Short accepted an offer of payment from Mr. Smith in 1963, in which he insists on the matter being kept confidential, is regarded as a moral barrier to his continuing in the role of principle sponsor of the Government's proposals for a new register of members interests."

What Aitken was correctly arguing was simply that Mr. Short, although he had done nothing fundamentally wrong, should not be retained by the Prime Minister in a Ministerial post where he would continue to be in a position to influence high decisions relating to the kind of issues in which he had unfortunately been caught up. Aitken happily conceded that Mr. Short should remain a Minister in some other post and was, in my view, absolutely right to do so.

How relevant were Aitken's arguments when Ted Short, as Leader of the House, announced the rejection of the demands for a Tribunal of Inquiry in favour of a Royal Commission, to look into aspects of Public Policy arising from the disclosures in the Poulson Affair.

The arguments against a Tribunal of Inquiry were only valid so long as a series of isolated incidents remained so. There were too many people in the centre of the decision - taking stage who were, in one way or another, in favour of keeping the incidents isolated.

In my view, the decision to prosecute me in Wandsworth was the first important decision to question. Secondly, the decision of Reginalf Maudling to assume the position of Home Secretary in June 1970, during the time when the Metropolitan Police were examining a "Dossier" which involved a number of his former associates as well as his own activities in connection with Poulson. Thirdly, there was the decision to take no further action on the "Dossier." Fourthly, there were the 'leaks' to 'Private Eye' and other papers, clearly emanating from the concern of the 'insiders' about a 'cover up'. Then there was Maudling's resignation as Home Secretary, following the Poulson Bankruptcy revelations. Then there was Parliament's intervention in the Poulson Bankruptcy hearings to the detriment of the Poulson creditors.

The available evidence of the involvement of other M.P.'s. in the Poulson Affair. The resignation of Frank Williamson, Inspector of Constabulary, and the reasons given for his resignation - "because of non-cooperation by Reginald Maudling and the Police Commissioner Sir John Waldren."

The rumours concerning intervention on behalf of Jeremy Thorpe, <sup>then leader of the liberal party,</sup> by M.P.'s and at least two Home Secretaries, including Reginald Maudling.

*All of the foregoing were worthy of minute Tribunal Enquiry examination, to be preferred to the lesser effectiveness of a Royal Commission.*

*The list of names is long enough to merit a Tribunal of Enquiry. I can only say that I am only a Tribunal of Enquiry.*

But a Royal Commission was decided upon and on the "sixth day of December, 1974; in the Twenty-Third year of Our Reign and By Her Majesties Command, Roy Jenkins, Home Secretary", established the Commission.

*Retype*

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SALMON --- BUT HARDLY FRESH ---



Members of the Royal Commission on Standards of Conduct in Public Life  
- the Salmon Commission.

Right Trusty and Well-beloved Counsellors :

Cyril Barnet, Baron Salmon, a Lord of Appeal in Ordinary;  
Arthur Leslie Noel Douglas, Baron Houghton, Companion of Honour;  
Margaret McCrorie Herbison;

Right Trusty and Well-beloved:

Eric Reginald, Baron Avebury;  
Charles Ian, Baron Orr-Ewing, Officer of Our Most Excellent Order of  
the British Empire;

Trusty and Well-beloved:

Sir Philip Allen, Knight Grand Cross of Our Most Honourable Order of  
the Bath;  
Sir Hugh Cudlipp, Knight, Officer of Our Most Excellent Order of the  
British Empire;  
Sir Henry Frank Harding Jones, Knight Grand Cross of Our Most Excellent  
Order of the British Empire;  
Sir John Leslie Williams, Knight, Commander of Our Most Excellent Order  
of the British Empire;  
Sir Melvyn Wynne Rosser, Knight;  
Brian Smith Kellett, Esquire;  
Audrey Muriel Ward Jackson;

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Extract from the Royal Warrant, summoning the Commission -

"And for the better effecting the purposes of this Our Commission. We do by these Presents give and grant unto you, or any four of you, full power to call before you such persons as you shall judge likely to afford you any information upon the subject of this Our Commission; to call for information in writing; and also to call for, have access to and examine all such books, documents, registers and records as may afford you the fullest information on the subject and to enquire of and concerning the premises by all other lawful ways and means whatsoever :

And We do by these Presents authorise and empower you, or any of you, to visit and personally inspect such places as you may deem it expedient so to inspect for the more effectual carrying out of the purposes aforesaid

Given at Our Court at St. James's the sixth day of December, 1974; In the Twenty-third year of Our Reign.

By Her Majesty's Command

ROY JENKINS."

Roy Jenkins was Home Secretary in the Labour Government of the day.

Commenting on the background to the appointment of the Royal Commission, the Report of the Commission has this to say - Paragraph 11 -

"The main reason for our appointment was, no doubt, public anxiety aroused by the Poulson affair."

The Salmon Commission reported its findings and recommendations to Parliament in July, 1976.

The Report bore the information that - "the estimated gross total expenditure of the Commission is £275,875."

So - Ropergate had its beneficial consequences, too!

At last all would be exposed and there would now follow a new dawn, after the long, long night of the cataloguing of sordid revelations, exposing the guilty little men.

The Commission sat, deliberated, investigated, it examined witnesses, and, finally - these things inevitably take time - it had recommended.

The Commission's terms of reference directed it 'to make recommendations as to the further safeguards which be required to ensure the highest standards of probity in public life.'

The Report offered this comforting assurance,

"The adoption of our recommendations should make it more difficult for anything resembling the Poulson Affair to occur in the future."

Paragraph 4 of the Report -

"Unlike a Tribunal of Inquiry, our aim as a Royal Commission has not been to act as an investigative body, inquiring into and making findings about detailed allegations in relation to individual cases.

Our task has been to examine broadly all the material before us and, selectively, some of it in depth; and then to form a judgement of the nature of conflicts of interests and risks of corruption in public life and the best means of ensuring that high standards of probity are maintained."

Paragraph 5 -

"We have not been concerned to search out for public presentation any new facts about specific individuals or organisations. The only individuals whom we have felt it right to name with any censure are those who have already been convicted of criminal offences. We have heard much evidence in confidence about other persons, and we are aware of the facts alleged in a number of cases awaiting trial in which charges have already been brought."

Is there not already conflict here?

Do not the terms expressed in the extract from the Royal Warrant, seem to be a clear direction to assume wider powers than its members were prepared to recognise, in their own interpretation of their brief?

Did the Salmon Commission have the effect of suggesting ways and means of preventing a repetition of the Poulson type of affair, and, at the same time, and for a long time to come, succeed in establishing and upholding some of the fundamental processes of law and justice?

I suggest it did neither.

I would argue that the Commission produced in its findings no more than a further underlining of the methods, of the decisions taken at all the various stages, by those people who had been pushed along into prosecuting only some of the people involved with John Poulson.

One editor referred to the Commission's Report as 'Smoked Salmon.'

#### *the Salmon Commission*

The purpose which, set out to serve - and which, by reason of its own narrow interpretation of its limitations, it was ill-equipped to do - would have been better served by a Tribunal of Enquiry, set up under the 1921 Act.

The Commission recognised, therefore, that it fell short of the capacity to act 'as an investigative body, inquiring into and making findings about detailed allegations in relation to individual cases.'  
But *why?*



Surely this would have been a reasonable expectation from whatever investigative body <sup>which</sup> had been considered necessary to allay "public anxiety aroused by the Poulson affair."?

We couldn't do it, the Report of the Salmon Commission seems to be suggesting, because according to our interpretation, such an investigation would fall outside our terms of reference.

But -- what about the "full power to call before you such persons--- and also to call for, have access to and examine all such books, documents, registers and records --- and to visit and personally inspect such places " etc.?"

Ah, yes, but we're not a Tribunal of Inquiry, you see!

Oh --- I see!

There had been, in fact, considerable pressure, both in Parliament and in the country, for just such a Tribunal of Inquiry.

This had been rejected, formally, by Ted Short, Leader of the House of Commons, on the ground that the Royal Commission had already been set up.

What a pity!

Was Mr. Short saying, in effect, that instead of a Tribunal of Inquiry, we would have a Royal Commission, which, by its terms of reference, and its own interpretation of these terms, would only feel able to investigate those who had already been investigated?

An opportunity missed, surely, if the objective was to allay "public anxiety aroused by the Poulson affair."

2. In its recommendations.

The recommendations highlighted the need to tighten up the procedures, proposing new laws, amendments to existing legislation, revision of standing arrangements.

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There was, I suggest, no need to tighten up procedures.

There was, as early as 1970, sufficient information available - in the dossier referred to in Paragraph 23 - and procedures adequate to deal with that information, for charges to have been brought against Poulson at the time of Wandsworth.

Between Wandsworth and the Salmon Report, there had been the Poulson bankruptcy hearings, followed by the Government's attempts to have the hearings adjourned indefinitely, in 1972. There had been the Report of the Committee on Local Government Rules of Conduct, set up by the Prime Minister Heath in 1973, under the Chairmanship of Lord Redcliffe-Maud. The Redcliffe-Maud Committee had issued its report in May 1974.

The Salmon Commission - whose purpose, it will be recalled, was to allay public anxiety, <sup>succeeded</sup> only, in adding to it.

The Commission's Report provided a reflection of the mess of half-truths which epitomised the whole of the Ropergate affair, which the Royal Commission <sup>did</sup> little to clear up and much to perpetuate.

Why, for example, did the Commission not see fit to pursue the question of the dossier, and its contents, which <sup>it</sup> mentioned in Paragraph 23, and summarily dismissed.

If the "detailed and disturbing information" contained therein had been exposed at the time of Wandsworth, would not Poulson's creditors, as detailed in the bankruptcy proceedings, two years later, have benefitted enormously?

It was well known to the authorities that Poulson was in financial difficulties long before Wandsworth - and, if they needed confirmation, it could have been provided by no less a person than the then Home Secretary, Mr. Maudling.

In a Press interview, reported in the Newcastle Journal on 12th February, 1974, Maudling was quoted as saying -

"As soon as I became aware, in the later spring of 1969, of the extent of Mr. Poulson's financial difficulties ---"

If we can assume, for a moment, that there was intervention or pressure "from person or persons unknown" - in 1970, to suppress the "Dossier" and its "detailed and disturbing information" then, at the very least, we can conclude that Poulson's creditors suffered in some measure.

Had it not been for this intervention Poulson could not have carried on beyond that point in 1970.

Then there was the Government intervention (which depends on no assumptions) in 1972, halting the bankruptcy indefinitely.

This could only be construed as having consequences prejudicial to the creditors. Their interests must surely have suffered. What is not quite clear is in whose interests would best be served by the indefinite adjournment of the proceedings.

the Salmon Committee, serving its declared purpose of allaying public anxiety, saw no need, apparently, to raise these questions.

Surely the decisions not to proceed with action on the contents of the "Dossier" <sup>by the D.P.O.</sup> should have been unacceptable to the Royal Commission without a full explanation <sup>being</sup> given in their report.

There were other criticisms, no doubt, which crystallised in the minds of those <sup>inflicting</sup> those who were serving sentences for their part in the Affair.

I certainly had my criticisms.

When I received my copy of the Royal Commission's Report after reading it I wrote to the Secretary of the Royal Commission -

The Secretary,  
Royal Commission on Standards  
of Conduct in Public Life,  
20, Grosvenor Hill,  
London W1X 0HX.

Dear Sir,

I acknowledge with thanks the receipt of your Commission's Report. There are certain matters upon which I must immediately comment and I set out the same below. I shall be grateful in due course for any information you are able to give arising from these comments and, in the meantime, trust you will acknowledge receipt of this letter.

1. I am concerned as to the confidentiality of the written or oral evidence given to the Commission and I am sure that this must be a matter of public concern when one considers the positions of many of those who gave evidence. When the evidence was given by me, I was given to understand clearly that this would be confidential, and in that case may I ask how the "Daily Express" was able to quote from my evidence in their issue of July 16th 1976?

If the evidence is not being treated as confidential, then is it possible for me (and therefore the public) to peruse evidence submitted by others and to have a copy of my own evidence?

2. I must place on record my fundamental disagreement with certain statements contained in Para. 14. This, inter alia, contains the following categorical statement : -

'The Councillors would then be expected, without declaring their interests, to use their influence on Mr. Poulson's behalf.'

This statement is a travesty of the truth and is a slur upon the reputation of those people still active in public life who were employed in or by my companies at different times. It was always the policy of my companies to insist that such interests were declared - the problem of ensuring that this was done was, to me, the essence of the Poulson case and, in my submission, cannot be discussed in the way referred to in Para. 14.

It is a mis-statement in the Commission's Report and must give rise to genuine concern to all those who have the public interest in mind; this is particularly the case when one notes that the Commissions Recommendations for Future Standards of Conduct in Public Life are based upon such as those in Para. 14.

This latter comment may also be properly applied to (3) and (4) hereunder.

3. Paragraph 23 refers to a dossier of "detailed and disturbing information about certain relations existing between Mr. Smith, Mr. Poulson, Mr. Cunningham and others" prepared by the Chief Inspector of Audit in 1970, (My association with Poulson ended in September 1969), and brought to the attention of the Department of the Director of Public Prosecutions. This dossier was considered over a period of 9 months by the relevant Authorities in consultation, and the Director of Public Prosecutions eventually decided that in the absence of access to Bank Accounts further investigations were unlikely to be fruitful.

In relation to the High Court and Central Criminal Court Trials of myself and Sidney Sporle in February and June 1971, what records that were in my possession were offered to the police for open inspection. This is a matter of public record and may be checked by reference to the transcripts of the Trials of Hadwin, Ward, and Roebuck at Leeds in 1975. It may well have been decided in 1970/71, and wrongly as it transpired, not to pursue investigations as regards Poulson, Cunningham and others; I would, however, point out that I was prosecuted, regardless of this decision, and should not therefore be included in this presentation of the clandestine and sinister grouping referred to in paragraph 23. For me, the Poulson affair began with my questioning by Scotland Yard Officers in December, 1968.

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I would add that it seems surprising that, despite the "detailed and disturbing information" revealed in the dossier, the Department of the Director of Public Prosecutions did not recommend that Warrants be obtained to gain access to the Bank Accounts concerned, particularly when one considers the public issues and personalities involved.

4. Paragraph 24 states "It is disturbing that, had it not been for the combination of these two factors Mr. Poulson and his accomplices might well still be carrying on their corrupt practices today."

May I draw your attention to the following : -

- (a) I resigned all my public offices when charged in January, 1970, and had no further connection with any public body from that day to the present time, involving Poulson or his associates.
- (b) My association with Poulson ended in September, 1968, and the last transaction between us was in September, 1969. I saw him only once between September, 1969, and my meeting him in prison. This was in December, 1969.

In view of these facts it is unfair to infer, as the report does, that I was the principal associate and that I carried on to the end and would have carried on if the Poulson Bankruptcy had not occurred,

I look forward to hearing from you,

Yours faithfully,

T. DAN SMITH.

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The Governor,  
H.M. Prison,  
Leyhill,  
Glos.

20, Grosvenor Hill,  
London, W1X 0HX.

Dear Governor,

Thank you for your letter of 21st July, enclosing letter from Mr. T. Dan Smith.

I should be grateful if you could explain to Mr. Smith that the Royal Commission are dissolved, and that I regret that I am unable to make any comment on their report. (I should perhaps mention that this office will be closed after today.)

I enclose for Mr. Smith's information a copy of his written evidence in the form in which it has been deposited for public inspection in the Public Record Office.

Minutes of oral evidence are not being published or made available for public inspection.

Yours sincerely,  
A. J. LANGDON.

I should have anticipated the finalisation of the Royal Commission, but I had not expected such a prompt or uninformative reply. In the circumstances of my imprisonment, and in the knowledge that the Commission was no longer in existence, I decided to concentrate on recording those items which had arisen out of the Report and which, in my opinion, themselves fell well below the kind of Standards that I would have expected in that area of Public Life.

That serious misconceptions remained in the minds of many eminent people was borne out by subsequent publications, which also served to illustrate my dissatisfactions.

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The weaknesses and misrepresentations in the Report could not have been apparent to the public at large, however, who may have given unequivocal credit to the Commission for dealing fairly and thoroughly with its sources and their evidence, and for producing entirely satisfactory and adequate findings.

The thought that several of the fundamental issues were still blurred and hazy, and that "serious misconceptions" still remained in the minds of many, must be accepted by the Commission as valid criticism.

How could so many false and misleading conclusions have been reached by a group of such eminent people?

They were acting under the pressures of the climate generated by the Poulson Affair. They were expected to conduct their investigations and produce a report in a fairly short period of time. They had had limitations imposed on them by the Royal Commission procedures.

This should not have led them into a seemingly bland acceptance of matters which were open to question.

It can be asserted that they could not have taken advantage of the access they had to all the relevant documentation, and that the evidence they had been given, or had chosen to examine, was largely the evidence provided by the prosecution in the Poulson and subsequent related cases.

Paragraph 14, for example, betrays unpardonable ignorance at least, on the part of the Commission -

"Between 1962 and 1970, Mr. Smith incorporated 14 public relations companies. The basic way in which he operated on Mr. Poulson's behalf was, quite simply, to appoint councillors on various local authorities as paid 'consultants' to one or other of his companies. The councillors would then be expected, without declaring their interest, to use their influence on Mr. Poulson's behalf. This they did."



maligned. This conclusion was both untrue and unfair, and had the effect of condemning innocent and guilty alike.

Every councillor who had been employed in my organisation signed a Declaration to the effect that he had declared his interest to his own local authority. These declarations had formed part of the defence documents in my successful defence, in the Wandsworth corruption case.

These documents existed. If the Commission considered them worthless, then should the Report not have included a statement to that effect?

If the Commission had seen the declarations, it must follow that they would not have agreed to sign a document which contained false and misleading assertions. That number of the employees in these companies - four men in all - had been shown to have failed to declare their interest was no justification for "tarring all with the same brush." It is at least interesting to speculate on what recourse an individual might be able to take in order to have a Royal Commission Report withdrawn/corrected.

Consider the bald statement - <sup>Commission</sup> "The councillors would then be expected, without declaring their interests, to use their influence on MR Poulson's behalf. This they did."

Why were all of my local Government employees charged? <sup>Not</sup> At least two of them were and are eminent public figures and would have made National Headlines had they been charged. Why? <sup>Because they behaved in a proper fashion.</sup>

<sup>Royal Commission</sup> The statement is, without doubt, a blanket condemnation of those who were convicted, and those who were innocent of any charge as, say, the Chairman of the Commission himself.

It also seems incomprehensible that the Commission's Report should have attached so much importance to articles which had appeared in the 'Bradford Telegraph and Argus' and, later, in 'Private Eye.'

These publications had significant information which was in the possession of the police and other

prosecuting authorities <sup>yet</sup> had it not been for the newspapers, <sup>publishing the story</sup> and Poulson going bankrupt, <sup>according to the Commission</sup> "Mr. Poulson and his accomplices might well still be carrying on their corrupt practices to day"

Either way, it seemed a strange situation to remain unexplained by a body set up to examine "Standards of Conduct in Public Life."

The evidence available to the Commission - and to the police, the Director of Public Prosecutions and the Chief Inspector of Audit in 1970 linking me with Poulson, Cunningham and others, caused me, at least, to wonder why I had been pursued by the D.P.P. with such vigour on the Wandsworth charge, and I not pursued at all on the more serious Poulson charge.

The nearest they came to recognising that something <sup>was</sup> badly amiss was in Paragraph 22 -

"Although Mr. Poulson had conducted his operations with impunity up to the time of his bankruptcy (1972) he had certainly not avoided suspicion. There were a number of incidents which could, and perhaps should, have led to his earlier arrest." (1970?)

Surely the members of the Commission must have asked themselves <sup>how</sup> they could possibly reconcile that statement with Paragraph 24 -

"We doubt whether Mr. Poulson would ever have been prosecuted but for his bankruptcy ---"

It seemed that everybody in sight had "detailed and disturbing information" but nobody was going to prosecute.