



Political developments in Northern Ireland- since September 2005

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This Note covers recent developments in the Northern Ireland political process. For an earlier chronology of events, please see Library Standard Note 3757 *Political Developments in Northern Ireland since January 2005*.

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A. A Summary of Political Developments since 1998

On 10 April 1998, the *Belfast Agreement* was finalised. It was endorsed through a referendum held on 22 May 1998 and subsequently given legal force through the *Northern Ireland Act 1998*. The Assembly was elected on 25 June 1998 under the terms of the *Northern Ireland (Elections) Act 1998*.

The Northern Ireland Assembly met for the first time on 1 July 1998 and David Trimble (Ulster Unionist Party) was elected as First Minister with Seamus Mallon (Social Democratic and Labour Party) as the Deputy First Minister. The Assembly met on 29 November 1999 when 10 Ministers were nominated, according to the 'dHondt formula set out the *Northern Ireland Act 1998*. On 30 November 1999 the Secretary of State made the *Northern Ireland Act 1998 (Commencement Order No 5)* resulting in the devolution of powers to the Northern Ireland Assembly from 2 December 1999.

Continued problems regarding decommissioning led to the re-introduction of direct rule through primary legislation in the form of the *Northern Ireland Act 2000* which allowed for the suspension of the operation of the Assembly and Executive, restoration of devolution by order and for Northern Ireland legislation to be undertaken at Westminster by Orders in Council. Devolution was suspended from 11 February 2000 to 30 May 2000. Devolution was restored to Northern Ireland from June 2000 and there were two further one day suspensions of devolution on 11 August 2001 and 21 September 2001.

Throughout 2002, sectarian violence and allegations that the IRA had broken their ceasefire caused further problems for devolution in Northern Ireland. On 14 October 2002 the then Secretary of State for Northern Ireland, Rt Hon John Reid, announced the return of direct rule, following a police raid on Sinn Fein offices at Stormont and the resignation of two Democratic Unionist Party ministers from the executive. The Northern Ireland Office took on the work of the Executive and Assembly Bills were introduced into Parliament as Orders in Council.

Elections to the Assembly originally due on 1 May 2003 were postponed twice, first to 29 May 2003 and then until the autumn on the grounds that outstanding issues about the position of the IRA could not be resolved during an election campaign. The *Northern Ireland Assembly (Elections and Periods of Suspension) Act 2003* postponed the election due on 29 May and gave the Secretary of State power to specify the new date in an order. The Act provided for the temporary suspension of elections until 15 November 2003, but with power for the Secretary of State to continue the suspension for further periods of 6 months maximum.

A *Joint Declaration* was published on 1 May 2003 which stated that the devolved institutions, if restored, could flourish only in a climate of trust, and it stressed the necessity in this context of 'acts of completion' in the full implementation of the *Belfast Agreement*. As part of the package of proposals surrounding the Joint Declaration by the British and Irish Governments, a draft Agreement on Monitoring and Compliance between the British and Irish Governments was published on 1 May 2003. This envisaged the establishment of an Independent Monitoring Commission to monitor the carrying out of various commitments under the Belfast Agreement. The *Northern Ireland (Monitoring Commission etc) Act 2003* was passed to implement this proposal. Further information on the new Commission is given in Research Paper 03/69 *the Northern Ireland (Monitoring Commission etc) Bill*.

On 21 October 2003 negotiations between the Ulster Unionists and Sinn Fein resulted in a new date being announced for elections to the Northern Ireland Assembly. However, the likelihood of devolution being restored immediately after the elections was subsequently cast into doubt when David Trimble announced his dissatisfaction with the level of information disclosed in the latest round of decommissioning. Despite this, elections went ahead as planned on 26 November 2003. Results of the elections are given in Library Standard Note no 3801 *Northern Ireland Assembly Elections 2003*. The main results were as follows:

- The Democratic Unionist Party won 30 of the 108 seats, 10 more than in 1998. The DUP won the highest share of the first preference votes.
- The Ulster Unionist Party won 27 seats, one fewer than in 1998 despite a higher share of the first preference votes.
- Sinn Fein, who secured more first preference votes than the UUP, won 24 seats.
- The Social Democratic and Labour Party won the fewest seats, and the lowest share of the vote, of the major parties.
- Turnout was 63.1 percent of the electorate, compared to 68.8 percent at the 1998 Assembly elections and 68.0 percent in Northern Ireland at the 2001 General Election.

A review of the Belfast Agreement with all the political parties began in early 2004. However efforts were halted after the PUP leader disengaged from the review in March. After the European elections in June, review talks resumed in Stormont and then at Leeds Castle where a British/Irish communiqué was issued.¹ Much of the recent issues around decommissioning of IRA weaponry was about the visual confirmation of decommissioning.²

On 8 December 2004 the DUP leader Ian Paisley confirmed that the negotiations to restore devolution had broken down. That day, Tony Blair and Bertie Ahern held a news conference where the proposals for the agreement were published and made available for public scrutiny.³

On 31 January 2005, the Lords approved the *Political Parties, Elections and Referendums Act 2000 (Disapplication of Part IV for Northern Ireland Parties, etc) Order 2005* which continues to exempt Northern Ireland from provisions concerning requiring donations to political parties to be registered and controlled.⁴ The order was considered in Commons Standing Committee and approved on Thursday 3rd February 2005.

There was considerable speculation about the involvement of the PIRA in the Northern Bank robbery on 20 December 2004, where £26m was stolen. The Chief Constable of Northern Ireland stated that the responsibility for the robbery lay with the Provisional IRA. Paul Murphy made a statement to the Commons on 11 January 2005 on the robbery. He then laid the most recent IMC report before the House on 10 February 2005, which concluded that the

¹ <http://www.nio.gov.uk/index/media-centre/media-detail.htm?newsID=10254>

² *Photos the key for DUP to accept IRA arms wipeout, Belfast Telegraph*, 18 November 2004

³ *Progress but no deal says Blair, BBC News*, 8 December 2004 The *Proposals by the British and Irish Government for a Comprehensive Agreement December 2004* are available at http://news.bbc.co.uk/1/hi/shared/bsp/hi/pdfs/08_12_04_british_irish_proposals.pdf

⁴ HL Deb 31 January 2005 c56-63

PIRA had been responsible for the Northern Bank robbery and three other major robberies in 2004.

On 10 March 2005 a motion was passed in the name of the Leader of the House, Peter Hain and the Secretary of State for Northern Ireland to suspend the payment of allowances to Sinn Fein MPs, but not to suspend access to facilities.⁵

The Conservatives, who were opposed to the original motion in December 2001 to grant privileges to Sinn Fein Members, wanted the measures to be taken further and to withdraw access of Sinn Fein to the Palace of Westminster. The then Shadow Leader of the House, Oliver Heald, said “The Official Opposition have always believed that it is simply wrong to allow Members who refused to take their seats to enjoy the same rights as Members who do.”⁶

In response to calls to prevent Sinn Fein Members from accessing facilities in the Palace of Westminster the Leader of the House urged Members to “strike a balance” between showing disapproval and “depriving their constituents of the fundamental right of access”. The Government motion to suspend parliamentary allowances for Sinn Fein Members for a period of 12 months was passed without debate. An amendment to ban Sinn Fein permanently from Westminster Palace was defeated 358 to 170.⁷ ⁸ For full details, and for recent developments, see Library Standard Note no 1667 *Sinn Fein and access to Commons facilities*.

The motion to remove SF entitlement to financial assistance in the Assembly for 12 months from 29 April 2005 was debated in the Commons on 16 June 2005. The PUP was not the subject of further sanctions.⁹

There was further pressure on Sinn Fein following the murder of Robert McCartney in January 2005. In an IRA statement made on 8 March 2005 the IRA said that they knew the identity of the men involved and that two of the men were members of the IRA who had subsequently been expelled. The statement went on to say “The IRA representatives detailed the outcome of the internal disciplinary proceedings thus far and stated in clear terms that the IRA was prepared to shoot the people directly involved in the killing of Robert McCartney.”¹⁰ This statement produced widespread condemnation.

The general election took place on 5 May 2005. Turnout in Northern Ireland was 68.6%, the highest of all UK regions. The Democratic Unionists won nine seats, half of the Northern Ireland total. They gained four seats from the Ulster Unionists: East Antrim, Lagan Valley, South Antrim and including the seat of the Ulster Unionists leader David Trimble’s in Upper Ban. The Ulster Unionist lost five of their six seats and their vote share fell by 9.0% points. ¹¹

⁵ HC Deb 10 March 2005, c1704

⁶ HC Deb, 10 March 2005, c1712

⁷ http://www.publications.parliament.uk/pa/cm200405/cmhansrd/cm050310/debtext/50310-26.htm#50310-26_div129

⁸ HC Deb, 10 March 2005, c1706

⁹ HC Deb 16 June 2005 c474

¹⁰ “IRA statement in full”, Belfast Telegraph, 9 March 2005

¹¹ Research paper 05/03, General Election 2005, p17

Following the loss of his seat in the General Election Mr Trimble resigned from his post as leader of the Ulster Unionist. The DUP received more votes than any other party in Northern Ireland for the first time at a General Election. Their share of the vote increased by 11.2% points to 33.7%. Sinn Fein also increased their share of the vote, and took Newry & Armagh from the SDLP. They came second in Northern Ireland in terms of both seats and votes won, both for the first time at a General Election. The SDLP gained South Belfast from the Ulster Unionists, leaving them unchanged in total seat numbers. Their share of the vote fell and they came fourth in terms of votes received. Full details are given in Library Research Paper 05/03.

The *Northern Ireland Act 2000 (Modification) (No.2) Order 2005*, extended the power to legislate on Northern Ireland matters by Order in Council for a further six months until 14 April 2006. This was examined by both Houses in July 2005. This power originally set out in the *Northern Ireland Act 2000* had already been extended five times since the suspension of devolution in October 2002. The motion was agreed to.¹²

B. Independent Monitoring Commission reports

This Commission has the responsibility of examining paramilitary activity and links with political parties in Northern Ireland. The contents of the fourth, fifth and sixth Independent Monitoring Commission (IMC) reports were summarised in Library Standard Note no 3737 *Political Developments in Northern Ireland since January 2005*. These dealt with the Northern Bank robbery of December 2004, the murder of Robert McCartney and continuing Loyalist paramilitary violence.

On 24 May 2005, the new Secretary of State for Northern Ireland, Mr Peter Hain, made a written statement on the recommendations of the fifth report:

The Secretary of State for Northern Ireland (Mr. Peter Hain):

The IMC report also recommends that I should continue the financial measures against the Progressive Unionist Party in the Northern Ireland Assembly. I shall now consider carefully the Commission's recommendations and will make a further statement in due course.¹³

Peter Hain announced on 13 September 2005 that he had ceased to recognise the UVF ceasefire as from midnight following the sixth report. The process involves specifying the organisation by order in council under section 3(8) of the *Northern Ireland (Sentences) Act 1998*.

During the course of the preparation of the Fifth Report Sinn Fein initiated judicial proceedings in Northern Ireland courts. On 29 June 2004, Sinn Fein's application for the judicial review of the Secretary of State's decision to block financial assistance to its party in the Assembly was granted. On 14 February 2005 this application was dismissed by the High Court in Belfast.¹⁴The proceedings addressed the IMC's remit and first report, the action

¹² HL Debate, 7 July 2005, GC81-88

¹³ HC Debate 24 May 2005, Written Ministerial Statement, c12 WS

¹⁴ Secretary of State's First Report under section 11(1) of the Northern Ireland (Monitoring Commission etc.) Act 2003, paragraph 3.14. For full report, see *In the matter of an application by Sinn Fein for Judicial*

taken by the Secretary of State as a result of that report, and the legislation which gives the IMC its statutory foundation in the UK. The proceedings taken by Sinn Fein were found to be unsuccessful on all grounds.

C. PIRA Decommissioning

On 28 July 2005 the IRA formally ordered an end to its armed campaign and said it would pursue exclusively peaceful means.¹⁵

The IRA statement was welcomed by the British and Irish Governments on 28 July. Sean Kelly, the former IRA terrorist, was released under temporary licence.¹⁶ Mr Hain stated in a letter to MPs that the IMC had been asked to prepare an additional report in January 2006 to check on progress with decommissioning.¹⁷ On 1 August the Northern Ireland Secretary, Peter Hain issued a written statement in which he set out a 2 year plan for de-militarisation, contingent on the security situation.¹⁸

On 26 September General John de Chastelain, chairman of the Independent Commission on Decommissioning announced that the IRA had completed its decommissioning. A report was sent to the British and Irish Governments and was deposited in both Houses.¹⁹ The decommissioning had been witnessed by two clergymen, Catholic priest Father Alec Reid and ex-Methodist president Rev Harold Good. General de Chastelain was quoted as stating that: "We are satisfied that the arms decommissioning represents the totality of the IRA's arsenal."²⁰ There was no photographic evidence available. The announcement was welcomed by the British and Irish Governments. However, the Rev Ian Paisley said the church witnesses had been agreed by the IRA and as such could not be considered "independent". He continued: "without a photographic proof, an inventory and details on how the weapons were destroyed, questions remain."²¹

As Peter Hain noted in his statement to the Commons on 13 October 2005 a report was awaited from the Independent Monitoring Commission, which focuses on paramilitary activity. The Government asked this Monitoring Commission to produce an extra report in January 2006 to reinforce the verification process, following the IRA statement of 28 July.²² Mr Hain noted in his statement:

There remains outstanding the question whether a financial penalty should be imposed on the Progressive Unionist party following the recommendation made to me earlier in the year by the IMC. I intend to watch developments carefully over the next few months, in particular the role that the PUP plays in attempting to secure peace

Review[2005] NIQB 10 from http://www.courtsni.gov.uk/NR/rdonlyres/164E234D-91A5-45FC-BE3A-648F7AD61659/0/j_j_WEAC5196.htm

¹⁵ BBC News, IRA statement in full, 28 July 2005

¹⁶ Press Notice *Northern Ireland Office* 28 July 2005

¹⁷ "Hain responds to IRA statement" *Northern Ireland Office* 28 July 2005

¹⁸ "Northern Ireland Secretary's statement" *BBC News* 1 August 2005

¹⁹ Dep 05/1227 HINF2005/1593 *Report of the Independent Commission on Decommissioning addressed to Peter Hain and Michael McDowell* 26 September 2005

²⁰ "IRA has destroyed all its arms" *BBC News* 26 September 2005

²¹ *ibid*

²² HC Deb 13 October 2005 c449-452

and stability in the loyalist community, before reaching a decision on this in the context of the January report from the IMC, to which I referred earlier.²³

Mr Hain also announced that the Police Board for Northern Ireland would be reconstituted from 1 April 2006 with political appointees selected in proportion to the 2003 election results, using the d'Hondt formula.

On 19 October 2005 the Independent Monitoring Commission published its seventh report.²⁴ It made some encouraging comments in relation to the IRA after the 28 July announcement, but stated:

Clearly we are looking for cumulative indications of changes in behaviour over a more sustained period of time.²⁵

D. Proposals on allowances for SF Members

Mr Hain made a written ministerial statement to the Commons on 19 October 2005 following the publication of the seventh report from the IMC in which he set out proposals to restore allowances to the Sinn Fein party in the Assembly. These had been suspended in April 2004, following reports of the Independent Monitoring Commission which recommended sanctions against Sinn Fein. As noted above, in March 2005 individual parliamentary allowances were also removed from Sinn Fein MPs for one year from April 2005, following a Commons motion.²⁶ Mr Hain said:

The report concludes that the PIRA statement, despite coming at a point when five sixths of the period under review had elapsed, is 'very significant'. The statement and the act of decommissioning reported by the IICD on 26 September have created a platform for future progress and 'initial signs following the PIRA statement are encouraging'. However, it is essential that the IMC, as they state, are able to observe 'cumulative changes in behaviour over a more sustained period of time .. '. I await the next report of the Commission, due in January 2006.

In the meantime I have decided to restore Sinn Fein's Assembly allowances, with effect from 1 November, and will, in due course, recommend to the House that it lifts the suspension of allowances to Sinn Fein Members of Parliament, which took effect on 1 April this year. .²⁷

The BBC reported concern at this decision from the Independent Monitoring Commission:

But commission chairman Lord Alderdice said the decision to return Sinn Fein's allowances was against the wishes of the IMC.

"While we do feel that something very significant happened potentially in the IRA statement and indeed in the decommissioning which was reported on, we felt it was

²³ HC Deb 13 October 2005 c450

²⁴ Available at

<http://www.independentmonitoringcommission.org/documents/uploads/7th%20%20IMC%20%20Report.pdf>

²⁵ *Seventh Report* para 3.18

²⁶ Standard Note no 1667 *Sinn Fein and Access to Commons Facilities* gives full background

²⁷ HC Deb 19 October 2005 c58WS

too early to make a definitive judgement on the question of returning public funds to Sinn Fein at this time," he said.²⁸

The decision also sparked hostile reaction from Rev Ian Paisley at Prime Minister's Question Time on 19 October.²⁹ David Lidington, for the Conservatives, considered that it was too early to make decisions in respect of allowances. That day a meeting was held of the British-Irish Intergovernmental Conference in Dublin.³⁰

On 24 October 2005 Mr Hain announced that he had laid in Parliament the Direction made under the *Northern Ireland Act 1998* to restore Sinn Fein allowances in the Assembly.³¹ The Direction indicated that the annual amount of assistance was £120,000. That day at Business Questions, Nigel Dodds expressed his party's concern.³² The Northern Ireland Assembly has cost £100m since its suspension in October 2002, according to the draft budget for Northern Ireland published by Peter Hain in October 2005.³³ There has been considerable press comment on the cost of the suspended assembly. Also on 24 October Mr Hain announced the appointment of Bertha McDougall as 'interim commissioner for victims and survivors of the troubles', pending the introduction of legislation to establish a commissioner on a long-term basis.³⁴

E. The *Terrorism (Northern Ireland) Bill* and the *Northern Ireland (Offences) Bill*

During the second reading of the *Terrorism (Northern Ireland) Bill* on 31 October 2005, Peter Hain announced that the Loyalist Volunteer Force (LVF) had issued a statement to the effect that they were standing down their 'military units'.³⁵ The Bill extends the provisions of Part 7 of the *Terrorism Act 2000* until July 2007, with provision for further extension. Lady Hermon, for the UUP, noted:

He really needs to clarify the inconsistency of his approach in recent weeks. We are being asked to approve terrorism legislation that will extend part VII for at least two years, and perhaps another year on top of that, on the basis that the security situation, as determined at the present time, makes the provisions "necessary". How can he reconcile a Bill that we are being asked to pass on that assessment with the facts that he has already indicated that Sinn Fein's allowances will be returned in the Assembly, that he will recommend in a few weeks that Sinn Fein Members' allowances in this House should be returned, and that Royal Irish Regiment home battalions should be disbanded? Before we go any further, will he reconcile the two irreconcilable points of view that are coming out of the Northern Ireland Office?³⁶

²⁸ "IRA progress signs encouraging" *BBC News* 19 October 2005

²⁹ HC Deb 19 October c843

³⁰ "Joint Communique: British-Irish Intergovernmental Conference NIO Press Release 19 October 2005

³¹ HC Deb 24 October 2005 c6WS *Direction given by the Secretary of State under section 51B of the Northern Ireland Act 1998*, laid 20 October 2005

³² HC Deb 20 October 2005 c990

³³ "Mothballed Stormont costs taxpayer £100m in three years" 27 October 2005 *Daily Telegraph* The final budget was issued in December 2005 *Northern Ireland Priorities and Budget 2005-6*

³⁴ "Peter Hain announces Interim Commissioner for Victims" 24 October 2005 NIO PN

³⁵ HC Deb 31 October 2005 c627

³⁶ HC Deb 31 October 2005 c630

Further information on the provisions of the *Terrorism (Northern Ireland) Bill* is given in Library Research Paper 05/70.

The Government introduced the *Northern Ireland (Offences) Bill* on 9 November 2005, and it had its second reading in the Commons on 23 November and passed its committee stage. Further information on the provisions is given in Library Research Paper 05/78. Following widespread opposition to the Bill, Peter Hain announced on 11 January 2006 that he had decided to withdraw the bill. He noted:

Every Northern Ireland party vigorously opposed the Bill, bar Sinn Fein. Now Sinn Fein opposes it, because it refuses to accept that the legislation should apply to members of the security forces charged with terrorism-related offences. To exclude from the provisions of the Bill any members of the security forces who might have been involved in such offences would have been not only illogical but indefensible, and we would not do it. Closure on the past cannot be one-sided. That was, and is, non-negotiable.

The process would have made people accountable for their past actions through the special tribunal before being released on licence. Sinn Fein has now said that any republican potentially covered by the legislation should have nothing to do with it. But if no one went through the process, victims who would have suffered the pain of having to come to terms with the legislation would have done so for nothing. That is unacceptable, and I am therefore withdrawing the Bill.³⁷

F. Review of public administration

The review of public administration was announced on 24 June 2002, arising from the Northern Ireland Executive's Programme for Government. There is a separate website with full details at <http://www.rpani.gov.uk/index.htm>³⁸ The Government response to the review was published on 22 November 2005 and the major proposals were as follows:

- Reduction in the number of district councils from 26 to 7- Belfast and six others
- Abolition of health and education boards, with the creation of a Strategic Health and Social Services Authority and an Education Authority
- Prohibition on dual mandates after the resumption of devolution, so that councillors cannot also be Assembly Members; at present 69 of the MLAs are also councillors.
- A maximum of 50 councillors per council.

Peter Hain acknowledged in his speech that most political parties, councils and local government organisations had preferred a 15 council model, apart from Sinn Fein. A academic summary of reaction suggested that the new boundaries of local councils would ensure that three were dominated by unionist parties and three by nationalists.³⁹ He stated that he would make a further announcement on the future of other quangos before the end

³⁷ HC Deb 11 January 2006 c286-288

³⁸ See *Review of public administration in Northern Ireland*: Dep 05/1609

³⁹ University College London Constitution Unit Devolution Monitoring Programme 2006-8 Northern Ireland January 2006, Executive Summary at <http://www.ucl.ac.uk/constitution-unit/research/devolution/Monitoring%20Reports/Northern%20Ireland/NI%20Jan06.pdf>

of March 2006.⁴⁰ The Northern Ireland Affairs Select Committee has heard evidence on the review from a number of witnesses in Northern Ireland.⁴¹

Current government plans for implementation of the review are set out in this recent parliamentary answer:

Mr. McGrady: To ask the Secretary of State for Northern Ireland what the legislative framework is for the implementation of the Review of Public Administration. [40780]

Angela E. Smith: The Government will be introducing a number of pieces of legislation over the next few years to provide for the implementation of decisions on the Review of Public Administration. Subordinate legislation will be brought forward before Easter to dissolve 18 health and social services trusts and establish five new trusts. It is intended to lay a draft Order in Council before Parliament in the current term to set the context for the review of local government boundaries. Separate Orders in Council will also be brought forward in due course for the further reorganisation of health and personal social services, education and local government structures; to provide for certain of the new or enhanced responsibilities of the new district councils; and, where appropriate, to implement any further decisions on executive agencies and public bodies.⁴²

The review was debated in Westminster Hall on 1 February 2006.

G. Electoral developments

In November 2005 the Electoral Commission published its report *Election 2005- The combined UK Parliamentary and Local Government Elections*. Chapter 9 dealt with the combined elections in Northern Ireland and is available at http://www.electoralcommission.org.uk/files/dms/NlcombinedelectionsFINALPDF_19163-14140_ENSW_.pdf

On 24 January 2006 David Hanson, junior Northern Ireland Office minister, published the results of Government consultations on changing the law on an annual elector's register and donations to political parties. The proposal to abolish the annual canvass has been widely publicised and was broadly welcomed by the political parties in their response to the consultation. Further details on the current legislation governing the register in Northern Ireland is given in Part XI of Library Research Paper 05/65 *The Electoral Administration Bill 2005-6*. Legislation is expected shortly. David Hanson was quoted as stating:

"The Government is clear that there needs to be more effective regulation of donations to political parties operating in Northern Ireland to bring arrangements into line with the rest of the UK.

"It also recognises the need to take account of the legitimate concerns that have been expressed about the potential risk of intimidation of donors, and to ensure that the special place of Ireland in the political life of Northern Ireland is respected.

⁴⁰ *Statement by the Secretary of State for Northern Ireland on the outcome of the review of public administration* 22 November 2005 at <http://www.rpani.gov.uk/announce.pdf>

⁴¹ See uncorrected evidence to be published as HC 732-I 29 November 2005

⁴² HC Deb 12 January 2006 c793w

“We are therefore planning for legislation that will require political parties to notify the Electoral Commission of donations over £5,000 but provide for donor details to be kept confidential. UK nationals on the electoral register and Irish citizens will be entitled to donate. This would take effect in October 2007. The legislation would also provide for an opportunity to move to full transparency in October 2010 if the circumstances allow.⁴³

This represented the second option put to consultees in the original consultation paper in August 2005. The first option was to disclose all donations, in line with the position for Great Britain but with a derogation allowing Irish citizens and companies to make donations. There was a wide spectrum of rules amongst those responding to the options.

The two summaries of the responses to consultation may be found on the Northern Ireland Office website at <http://www.nio.gov.uk/media-detail.htm?newsID=12711>

H. Recent developments

The raid by the police of Sinn Fein offices in the Assembly building at Stormont on 4 October 2002 had contributed to the decision to suspend devolution. On 8 December 2005 the Director of Public Prosecutions announced that the prosecution of three people those allegedly involved in the Sinn Fein spy ring at Stormont would be dropped, as prosecution was no longer in the public interest. The Northern Ireland Office statement noted that this was solely a matter for the prosecuting authorities, but stated that the police operation did lead to the recovery of sensitive documents removed from government offices.⁴⁴ Press reports suggested that the police were not granted a public interest immunity certificate which would have protected the identity of an informant.⁴⁵ In December, one of the defendants, Denis Donaldson, former head of Sinn Fein administration at Stormont, was revealed to have worked for British intelligence and the RUC/PSNI Special Branch since the mid 1980s. He made a press statement on 18 December 2005.⁴⁶ The following parliamentary answers give further details:

Mr. Dodds: To ask the Solicitor-General who was consulted on the decision to discontinue the case against those charged with running a spy ring at Stormont in 2002. [38708]

The Solicitor-General [*holding answer 19 December 2005*]: The decision to offer no evidence in this case in December 2005 was taken by the Director of Public Prosecutions for Northern Ireland following information received in November 2005 from the police. That decision was based on his assessment of the public interest. The Director kept the Attorney-General informed throughout this case and consulted the Attorney-General in respect of his decision.

In January 2005 an issue arose in the trial process, the Attorney-General carried out a Shawcross exercise by which he consulted ministerial colleagues as to whether they had information that might bear on the consideration of the public interest by the Director. In the event, having regard to ongoing developments in the trial process, no

⁴³ “Hanson publishes response to consultations on electoral registration and donations to political parties” 24 January 2005 *NIO Press Notice*

⁴⁴ Quoted in “Stormontgate- securocrats pulled down executive says spy accused” 9 December 2005 *Irish News*

⁴⁵ “Spy at the heart of the IRA” 18 December 2005 *Sunday Times*, “Identity protection stopped spy case” 11 December 2005 *Sunday Times*

⁴⁶ “Donaldson’s statement” 18 December 2005 *Belfast Telegraph*

decision was required to be taken at that time and the information obtained formed no part of the Director's decision to discontinue the prosecution in December 2005. That decision was informed by facts and information provided by the chief constable in November 2005 following upon a further development in the trial process. No further ministerial consultation took place.⁴⁷

Andrew Mackinlay: To ask the Secretary of State for Northern Ireland who authorised the police raid in 2002 on Sinn Fein offices in Stormont. [39603]

Mr. Woodward: The fact in this case is that a paramilitary organisation, namely the Provisional IRA, was actively involved in the systematic gathering of information and targeting of individuals.

Police investigated that activity and a police operation led to the recovery of thousands of sensitive documents that had been removed from government offices.

As part of the investigation, the Police Service of Northern Ireland required to search a number of offices at Stormont. These searches were conducted under the authority of a Schedule 5 Search Warrant that had been sought by a police officer and authorised by the relevant judicial authority.⁴⁸

The affair has provoked considerable press comment, but the Government have not announced plans for an enquiry.⁴⁹ The Northern Ireland Affairs Select Committee published a special report on 16 January 2006 which contained an exchange of correspondence between the committee and the Attorney General.⁵⁰

In December 2005 Mr Hain announced in an interview with the *Belfast Telegraph* that he could not conceive of 'the people in Northern Ireland agreeing in May 2007 to go along with taking part in a pure charade of an election for a second time to a suspended Assembly'.⁵¹

The draft *Northern Ireland Arms Decommissioning Act 1997 (Amnesty Period) Order 2006* is due to be debated in both Houses shortly. The order extends the amnesty period to 27 February 2007, as allowed under the *Northern Ireland Arms Decommissioning Act 1997*, as amended by the *Northern Ireland Arms Decommissioning (Amendment) Act 2002*.

I. Inter-party talks

It is expected that talks between parties will begin based on the Comprehensive Agreement proposals published by the British and Irish Governments in December 2004 (see above). Tony Blair and Bertie Ahern met on 26 January and noted:

Decisions that affect the people of Northern Ireland should be taken by locally elected representatives exercising their rights and responsibilities in fully functioning democratic institutions including the Northern Ireland Assembly and Executive and North/South structures.

⁴⁷ HC Deb 9 January 2006 c9w

⁴⁸ HC Deb 9 January 2006 c337w

⁴⁹ "Hain rejects 'spy inquiry demand" 19 December 2005 *BBC News*

⁵⁰ HC 814 2005-6 *Decisions to cease Stormont prosecutions*

⁵¹ "Sinn Fein and Hain" 10 December 2005 *Belfast Telegraph*

On 6 February talks will begin with the aim of setting out the arrangements and timetable for the restoration of the institutions, which of course we want to see as soon as possible.⁵²

The DUP has issued a policy document which contains proposals for the restoration of the Assembly without the restoration of the Executive⁵³

The Eighth Report from the IMC was published on 1 February 2006.⁵⁴ It reviewed paramilitary activity, and concluded as follows in relation to PIRA:

3.25 To sum up, the position is not entirely straightforward. We see a number of definite signs of the organisation moving in the direction indicated in the 28 July statement.

We see other signs which we would describe as neutral and some which are more disturbing. For example, some members continue to be engaged in significant crime and occasional unauthorised assaults. Whereas these assaults are not in our view sanctioned by the leadership, and may be directly against its wishes, the contrary appears to be the case with some other criminal activities such as the exploitation of financial assets PIRA had previously acquired or the illegal gathering of intelligence. The indications that PIRA appears to retain long term intentions to gather intelligence is also in our view a matter for concern. On the other hand, we believe there is a clear strategic intent to turn the organisation on to a political path and there is good evidence that this is happening even given such constraints as there may be on the leadership in this regard.

Mr Hain announced the publication of the report in a Written Ministerial Statement on 1 February, noting that “there was enough evidence of progress to make the process of political talks meaningful”.⁵⁵

⁵² “Joint statement by Prime Minister Tony Blair and Taoiseach Bertin Ahern! 26 January 2006 *Northern Ireland Office Press Notice*

⁵³ *Facing Reality: A Truthful Assessment: The Policy Context The Best Way Forward* January 2006

⁵⁴ HC 870 2005-6 available at http://news.bbc.co.uk/1/shared/bsp/hi/pdfs/01_02_06_imc_eighth_report.pdf

⁵⁵ “Positive IMC report shows IRA moving in the right direction” 1 February 2006 *Northern Ireland Office PN*