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Mr Sullivan
reference 19/5
to see a return p/

PSE 86/189

RSS 8/5

M
19/5

- cc PS/Ministers (L&B))
- PS/PUS (L&B))
- PS/Mr Bloomfield)
- NI Perm Secs)
- Mr Brennan)
- Mr Stephens)
- Mr Gilliland) without
- Mr Ennis) enclosures
- Mr Spence)
- Mr Elliott)
- Mr Chesterton)
- Mr Blackwell)
- Miss Elliott)
- Mr McConnell)
- Mr Ehrman)

- 1. PS/Mr Needham (L&B)
- 2. PS/Secretary of State (L&B)

LOCAL GOVERNMENT - PROGRESS REPORT

Purpose

- 1. As I indicated in my earlier papers of 7 and 29 April, officials within DOE have been monitoring the situation in the Unionist controlled District Councils which continue their suspension/adjournment policy. The conclusion from these investigations is that, apart from Ballymoney Council no action is needed by Government during May since all essential services continue to be delivered and are not under any immediate threat of breakdown.

Present Position

- 2. Departmental officials continue to have discussions with the Town Clerks of each of the Councils involved in the protest action. There are signs that some Councils are "inching their way back" to general business. Some business has been transacted in Dungannon, Ards, Limavady, Carrick and Antrim on matters such as prosecutions, approval to raise loans, award of annual tenders. Such actions are being taken in a low key way, almost always as a result of lobbying by the Town Clerks involved and it would be counter-productive to highlight them. PAB and DOE officials would agree that such actions are symptomatic of the desire by a number of Unionist Councillors to resume normal business but the Councillors concerned are prevented from doing so by party policy and local pressures. There is evidence that many Councillors have come to the view that the current tactics within District Councils have proved ineffective and that an alternative strategy is necessary, together with other forms of protest, in the opposition to the Anglo-Irish Agreement. The "inching back" process could be further encouraged by announcing the proposed action with regard to Sinn Fein and it would be helpful if a decision on this could be finalised at an early date. In respect of specific council functions, the position could be summarised as follows:-

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- (a) All statutory functions such as burials, refuse collection, public health and the provision of leisure facilities continue uninterrupted.
- (b) All accounts for salaries, wages, goods and services, and contracts are being paid.
- (c) Apart from Ballymoney, goods and materials are being purchased, by monthly quotations where it has not been possible to award contracts for annual supplies.
- (d) A backlog of applications is building up in a number of Council areas in respect of regulatory and licensing functions such as building control regulations, the issue of petroleum licences, street trading licences and entertainment licences. The entertainment licence problem will become more acute after 30 June when new provisions come into force and licences issued under the old system expire. This problem will have to be given further detailed consideration in June.
- (e) Many discretionary functions in Councils are not being implemented, particularly grants to local bodies. This problem applies to local community groups in Craigavon which are not being funded at present.
- (f) Consultation with Government Departments and public bodies on matters such as housing, planning, roads and water programmes are not taking place.

Ballymoney

3. Ballymoney Council was the subject of a recent High Court Judgement where the Court ruled, inter alia, that a delegation of functions to the Town Clerk is ultra vires. This means that the Town Clerk cannot now take decisions which would normally be taken by the Council. The most immediate of these is the award of contracts for annual supplies and the licensing and regulatory functions operating within the Council area. Unlike the previous case in Belfast, Ballymoney does not use an annual supply procedure for fuel oil and so the acute position which existed in Belfast over fuel supplies does not obtain in Ballymoney. The Town Clerk advises however that lack of other supplies such as chemicals, replacement parts for vehicles does cause problems and unless such materials can be obtained, the Town's major recreation facility could close by the end of May and the vehicle fleet could also be in difficulty. The Council, in defiance of the High Court resolved at its recent meeting to continue its adjournment policy and the next meeting is scheduled for 2 June. It is recommended that if the Council fails to award these tenders at its meeting on 2 June, action similar to that recently taken in respect of Belfast under the Local Government (Temporary Provisions) Order (NI) 1985 should be taken by the limited selective use of the powers.

Belfast

4. Since my last report on the 29 April, Belfast Council has resolved to resume normal Council meetings by virtue of 5 Ulster Unionist Councillors

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breaking with party policy. Committee meetings have resumed and to date, one Committee has completed consideration of all its business but a further Committee has deferred all its business for one month. It remains to be seen what the Unionist policy will be both in Committees and at Council meetings. Various tactics have been suggested such as boycott, filibustering, deferring business, and voting down all recommendations from Committees. Departmental officials will monitor the situation closely and report further in June. There is a major problem of concern to DED and senior Council officials arising from the almost total lack of management capability within the Council's Gas Department. The Gas Department has failed to meet targets for the run down of the industry in Belfast, and the Town Clerk would propose to employ consultants to fill the management vacuum, if he had the necessary authority. This problem is being considered by DED who will be minuting the Secretary of State separately.

Potential Problems Ahead

5. In the fluid situation in local government, it is difficult to predict problems which might emerge but Ministers should be aware of problems likely to occur as follows:-
 - (a) Annual General Meetings which, by statute, must be held in June. It is not yet clear what the policy will be in respect of these meetings although existing Mayors/Chairmen remain in office until their successors are elected. It is known that in some Council areas the DUP/UUP grouping have indicated their desire to see present Mayors voted out of office.
 - (b) Change in strategy. It may be that the suggested changes in the strategy within Belfast Council will also extend to other Council areas. Further difficulties could arise in certain areas depending on the Committee structure and the relative numerical strengths of the local parties.
 - (c) Licensing and regulatory functions post June. Failure to discharge this function could produce difficulties particularly in respect of entertainment licences.
 - (d) Changes in delegation to Town Clerks. This suggestion has not been advanced strongly in recent weeks but could, if implemented, add considerably to the pressure already on Town Clerks who are seen to be maintaining local services.

The Department will continue to monitor the position and report if developments requiring responsive action occur but at present it seems likely that this can await the June Report.

6. Sinn Fein

Reference has been made in paragraph 2 to the encouragement that a Declaration might give to the "inching back" process. The situation could however be quickly reached where the absence of a decision on the Sinn Fein issue could prevent Councils from resuming normal functions. Some Councillors have, in recent weeks, referred to the fact that the current

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Council protest began because of the presence of Sinn Fein. It would be helpful if the position on a Declaration was resolved and an announcement held in readiness for use at the appropriate time.

7. Recommendations

It is recommended that the Secretary of State:-

- (a) notes that, apart from the following identified issues, action is not necessary in any Council area before the June Report;
- (b) authorises DOE(NI) to take remedial action in respect of Ballymoney, by using emergency powers in a selected way, if the Council fails to discharge its functions at its meeting on 2 June;
- (c) notes that DED will be reporting on a problem with the Belfast Gas Department;
- (d) notes the need to have the Sinn Fein card in readiness to play at the appropriate time; and
- (e) notes that DOE will continue to monitor the position and unless there are more urgent developments on the topics in 5(b) and (d) will report again in early June.


D BARRY
DOE(NI)

14 May 1986

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