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PAB/2458/DP

NOTE FOR THE RECORD

cc PS/Secretary of State (L&B)  
PS/Mr Scott (L&B)  
PS/Dr Mawhinney (L&B)  
PS/PUS (L&B)  
PS/Mr Bloomfield  
Mr Stephens  
Mr Brennan  
Mr Chesterton  
Mr Innes  
Mr Elliott  
Mr Ferneyhough  
Mr Spence  
Mr Gilliland  
Mr Bell  
Mr G Hewitt  
Miss Elliott  
Mr Blackwell  
Mr S Hewitt  
Mr A Mackay MP c/o PO NIO(L)

*RSS 9011*

There have been some recent significant developments on the local government scene and the purpose of this note is to pull together the various strands of information gathered by PAB.

2. In the early part of this week Mr Molyneaux and Dr Paisley announced that they had agreed a new package of measures which had been approved by the Executive Committees of the respective associations of UUP and DUP councillors at meetings on Monday 12 January. We know that the intention is to increase the pressure on local government but we have no indication of what new tactics will be adopted.

3. What we do know from UUP contacts is that Unionist representatives, on all statutory bodies and "quangos" will be called upon to hand to their respective leaders their resignations for them to use as and when they see fit. On the UUP side this resignation policy was agreed upon at a meeting of the Executive Committee of the UUP Councillors Association on 18 November but it was overshadowed by the proposal for mass resignation from all councils. (Later rejected at a meeting between the leader and all UUP councillors on 24 November). However few UUP representatives

CONFIDENTIAL

## CONFIDENTIAL

have so far responded to the call to place their resignations in the hands of Mr Molyneaux and this week the Executive Committee circulated a letter threatening disciplinary action against those that do not do so.

4. Another meeting is proposed for Monday evening (19 January) between the leader, the Executive Committee and unionist councillors. Some councillors believe that the meeting is to discuss the policy of resignations from statutory boards but others think it more likely that they are being brought together to be told that they must comply and to drive home the point that they will be disciplined if they don't. A significant number are likely to resist this pressure but the feeling is that more than half - faced with a the choice between the party and membership of a statutory body - will choose the party.

5. There is no such obvious division within the DUP and we are fairly certain that those who have not already agreed to Dr Paisley's request to place their resignations in his hands will do so quickly. However this is not to say that all is as it was within the DUP. Contacts tell us that some grass roots opinion is drifting away from the leadership and that some DUP councillors have not yet given their <sup>COUNCIL</sup> resignations to their leader (one has indicated to PAB that he might well break the boycott in his council area).

6. Other developments within the councils have been mainly concerned with the legality of various aspects of the unionists' tactics. In Belfast a deal was struck with the Alliance Party in that they allowed their legal action against unionist councillors, apparently in contempt of court, to be adjourned for one month in order to give unionists the opportunity to return to normal business. It remains to be seen how effective this is. The threat of legal action leading to a fine or indeed the possibility of some form of surcharge, both of which might lead eventually to personal liability, has been a continuing concern for many unionist councillors. However as time has progressed the reality of this

## CONFIDENTIAL

has receded and some councillors have lulled themselves into the belief that it won't come to pass. It is arguable that the first imposition of a monetary penalty against individual councillors would drive the rest back to business, but equally, it is conceivable that it would precipitate mass resignations as was threatened earlier by the 2 Unionist leaders.

7. As regards the allocation of a quarter p in the pound towards opposition to the Agreement we are aware that many people in Northern Ireland, especially from among the business community, are expressing concern to the councillors about this waste of "their money". A contact also informed that the the "Sunday World" is going to make allegations of fraud over the use of rate payers money - they will develop a story based on comments by Councillor [redacted] that he has evidence of fraudulent use of equipment and manpower in the organisation of the anti-Agreement bonfire in Belfast.

8. Finally we have had some observations about the presence of Sinn Fein on Councils. This was the original cause of unionist disruption of local government and could be used to reunite the Unionist pact if it divided, whilst opposition to the Agreement remained the main objective. If, by some chance, normal business were to become possible we are told by some UUP contacts that a way of dealing with Sinn Fein would be found which would avoid further Unionist abstention or adjournment. However there are well defined legal objections to this. Thus most of our contacts remain convinced that HMG should take positive action through some form of intervention to prevent Sinn Fein from taking their seats.

### Comment

9. The present position within the UUP is clearly one in which the leadership is seeking to reassert authority over the grass roots of the party. However there is considerable confusion within UUP ranks and some, including some of the more influential members of the party, may fall to be disciplined. It is unclear as to what disciplinary action might be taken although at this stage it

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appears unlikely that it would result in expulsion. There are the first hesitant signs of tension and dissent emerging from within the DUP.



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