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Mr McConnell

- cc: PS/Secretary of State (L&B)
- PS/Dr Boyson (L&B)
- PS/Mr Scott (L&B)
- PS/PUS (L&B)
- PS/Mr Bloomfield
- Mr Brennan
- Mr Stephens
- Mr Fell
- Dr Hayes
- Mr Parkes
- Mr Elliott
- Mr Innes
- Mr Gilliland
- Mr Ferneyhough
- Mr Spence
- Mr Blackwell
- Mr Bell
- Mr G Hewitt

LB570/2

*Mr Parkes*

SHANTALLOW COMMUNITY CENTRE

Mark Durkan, John Hume's assistant telephoned me yesterday afternoon to express his concern at the news that the Government was withdrawing financial support from the Shantallow Community Centre. He acknowledged that there had been "bother" about the Centre in the past and that funds had probably ended up in the wrong hands. He also told me that Mr O'Connell, the former Mayor of Londonderry and member of the Community Centre Management Committee had been misquoted by the Belfast Telegraph as saying that there were no longer any links between the centre and paramilitary groups. Mr O'Connell had apparently intended to make no comment at all, and off the record remarks had been misrepresented.

Nevertheless, Mr Durkan felt that the centre was now better managed than had been the case before a meeting some months ago. It was significant that four of the five members of Derry City Council from Shantallow were SDLP members and three of the four Councillors on the management committee belonged to the party. The fourth was Gerry Doherty of Sinn Fein. The new management committees, appointed after the local elections of May 1985 had tried to behave wholly responsibly and would be bitterly disappointed to hear the news, and particularly the fact that the contract of their ACE worker was to be terminated with effect from 7 February, two months early and, according to Mr Durkan, in breach of Article 3.3, subsection (a) of the ACE agreement. The committee were also likely to be concerned at the effect of the DED

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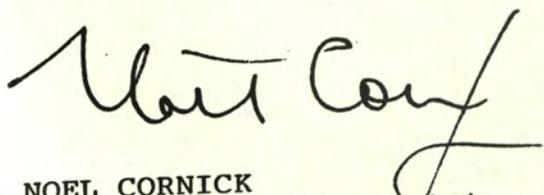
decision on the DENI financial support which the centre enjoyed via the City Council.

Mr Durkan felt that the matter had been clumsily handled and that the letter from the Community Programmes Branch of DED was both ill-timed and ill-phrased.

I took note of his comments, undertaking to pass them on, suggesting that he might consider suggesting to the management committee to write a considered response to the DED letter and pointing out that it was extremely important for the Government to make absolutely certain that taxpayers' money was not falling in the wrong hands.

Mr Durkan phoned me again an hour or so later (after I had seen the front page of last night's Belfast Telegraph) in a much more conciliatory mood. DED, he explained, were not to blame for the letter, which had been specifically requested by the management committee who would be replying constructively to it. They apparently acknowledged that the Government's decision was really a case of chickens coming home to roost, and although they would protest, their protest would be coupled with constructive suggestions about changes to the management structure of the committee, to reduce, I think, the influence of the Tenants' Association which tends to be subject to greater paramilitary pressure and is far from being a paragon of democratic virtue, and about the way in which the ACE scheme might be administered in an area which was crying out for any kind of employment opportunity.

I welcomed this constructive approach and thanked Mr Durkan for bringing me up to date. We shall no doubt hear more, and it would be helpful if copy recipients of this minute could ensure that PAB are kept informed of developments. We were not, for instance, aware that the letter to the management committee had been issued, which did cause some embarrassment when Mr Durkan first telephoned.

  
NOEL CORNICK  
Political Affairs Division  
6 February 1986

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