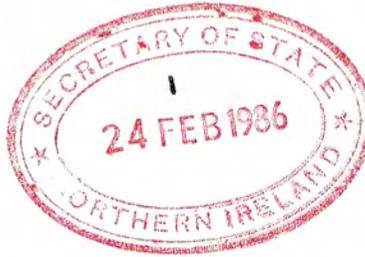


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From Lord Hylton
Ammerdown
Radstock
Bath
BA3 5SH

21st February 1986.

The Rt. Hon. Tom King, P.C., M.P.,
Northern Ireland Office,
Stormont Castle,
Belfast BT4 3ST.

Dear Mr King

* I am as strongly opposed to terrorism as you or anyone else. I have, however, just returned from Northern Ireland where I found that there are distinct problems connected with the withdrawal of Government funds from organisations thought to be connected in some way with paramilitaries, in particular the Conway Street Mill, a Tenants Association in Gobnascaill, Derry, and the Shantallow Community Association, Derry. The dangers are that some genuine commercial jobs may be destroyed, that things like creches, Youth Clubs, football teams, etc. will be adversely affected and that a certain number of ACE workers will become unemployed.

Would it not be reasonable to allow affected community associations to state their case? I understand that there has been no consultation, or even visits to the organisations and that the matter began with a directive from your predecessor, Douglas Hurd.

Where community organisations are suspected of being infiltrated or used as a front for terrorism, could you not insist that the membership of their Committees must be approved and that they provide regular copies of their accounts, if they are receiving Government funds.?

I am concerned that the innocent do not have to suffer for the guilty, thereby increasing present disaffection.

I am writing soon to Dr Rhodes Boyson about Conway Mill, since LEDU and ACE are involved, and will give him more details. I would like you please to consider the issues in principle.

with v. best wishes in the present difficulties

Yours sincerely

Hylton

* There may be others.

~~DRAFT REPLY FROM SOS TO LORD HYLTON~~

The Lord Hylton
Amersdown
Radstock

~~Dear Lord Hylton~~

Bath
BA3 5SH

Thank you for your letter of 21 February 1986 on the question of the application of the Government's policy on grants to community organisations.

As you are doubtless aware, my predecessor, Douglas Hurd, spelled out the Government's policy on this matter in the House of Commons on 27 June 1985 in a written Parliamentary reply. I have attached a copy for your information.

The policy resulted from information indicating that certain community groups had links with paramilitary organisations; assistance of such groups would carry the risk of improving the standing and furthering the aims of those organisations. I am afraid that the problem is such that it could not be overcome simply by adopting the measures you suggest.

You mention specifically three cases. In all of these I carefully considered the position and concluded in the light of information available to me, that the paramilitary links were such that I could not permit any further public grants to be paid in these cases.

If circumstances should warrant a review of these decisions at any time, the position would certainly be reconsidered.

With many thanks for your kind wishes.

Yours sincerely

~~TOM KING~~

E. R.



cc. PS/Dr Boyson B&L - M
PS/Mr Bloomfield
Mr Chesterton - M
Mr Ferneyhough
Mr Spence

PS/Secretary of State B&L - M

COMMUNITY GROUPS - LETTER FROM LORD HYLTON TO SECRETARY OF STATE

1. I attach, for the Secretary of State's consideration, a draft reply to Lord Hylton's letter of 21 February 1986.
2. The draft reply has been drawn up in consultation with the Solicitors' Department of the Department of Finance & Personnel. The Solicitors' Department have advised that it is important to depart as little as possible in the reply from the terms of the statement made on 27 June 1985. This avoids any suggestion that the policy which it outlines is being revised in any way. The wording of the draft has also been devised by the Solicitors' Department to bring out that the matter is not one simply of financial assistance finding its way into the hands of paramilitary organisations, but of those organisations deriving benefit from the existence and work of the community group.
3. Finally I should add that legal advice is strongly of the view that the less said the better in any correspondence on this matter.



TREVOR PEARSON

4 March 1986