

# Sinn Fein, allowances and access to Commons facilities

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On 18 December 2001 the House debated and agreed a motion to allow Members who had chosen not to take their seats to use facilities within the precincts of the House and use the departments of the House, and claim Members' Allowances. The motion did not provide for access to Short money, the scheme of financial assistance to opposition parties at Westminster. However SF Members in the Assembly are entitled to financial assistance as a party, in a statutory scheme analogous to Short money. Similarly the motion did not affect the exclusion of parties with two or more Members of Parliament, but whose Members have not taken the oath, from receiving Policy Development Grants, under the *Political Parties, Elections and Referendums Act 2000.* For further information on Short money and Political Development Grants see Library Standard Notes no 1663 *Short Money* and 3138 *Funding of Political Parties.* The full text of the Parliamentary Oath is given in Appendix 1 of Library Research Paper 01/116 *The Parliamentary Oath*.

Sinn Féin took moved into their offices on 21 January 2002. Reports of the Independent Monitoring Commission in Northern Ireland recommended sanctions against Sinn Fein following events in April 2004. The Northern Ireland Secretary suspended allowances for SF members, as members of a political party, in the Northern Ireland Assembly, from April 2004, but these were restored from 1 November 2005. A motion from the Leader of the House to suspend allowances for Sinn Fein MPs at Westminster for one year from 1 April 2005 was debated and passed on 10 March 2005. A motion to backdate the restoration of allowances to 1 November 2005 for Sinn Fein Commons Members was debated and passed on 8 February 2006, together with a motion to grant Sinn Fein funds analogous to Short money for the first time. For recent developments in Northern Ireland, see Library Standard Note no 3905 *Political Developments in Northern Ireland since September 2005*.

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## A. Sinn Féin and the Westminster Parliament

As a party, Sinn Féin has traditionally maintained an abstentionist policy towards the Westminster Parliament, on the basis that it does not recognise Westminster sovereignty over Northern Ireland. In common with other Sinn Féin members, Countess Constance Markievicz, the first woman to be elected to the House of Commons in 1918 (when the majority of seats in Ireland were won by Sinn Féin), did not take her seat. Intermittently, over the years since 1918, Sinn Féin members have been elected to the House of Commons and have consistently not taken their seats. Until 1986 Sinn Féin also had an abstentionist policy with regard to Dail elections. The Dail does not require an oath of its members.

On 14 May 1997, following the Election of Gerry Adams and Martin McGuinness to the House of Commons at the 1997 General Election, the Speaker made a statement to the House in which she said:

those who choose not to take their seats should not have access to the many benefits and facilities that are now available in the House without also taking up their responsibilities as Members.<sup>2</sup>

Following the Speaker's ruling, Martin McGuinness challenged the decision in the High Court of Justice for Northern Ireland, and then, on being refused a judicial review of the subject, in the European Court of Human Rights. His challenge was unsuccessful. Full details of the case are given in Library Research Paper 01/116.<sup>3</sup> Details of the Speaker's statement, and subsequent related statements, are given in Appendix 2 to that Paper.

The issue of office accommodation for Sinn Féin was raised on several occasions during the lifetime of the 1997 Parliament. Four Sinn Féin MPs were then elected at the 2001 election<sup>4</sup>, after which the current Speaker repeated the statement of his predecessor. More details on these developments are included in Library Research Paper 01/116.

## B. The December 2001 motion

Robin Cook, the then Leader of the House, announced during Business Questions on 13 December 2001 that "A motion to approve the use of the facilities of the House for those Members who have chosen not to take their seats" would be debated on 18 December.<sup>5</sup> Eric Forth, Shadow Leader of the House, responded by asking whether the motion would be

for further details on Sinn Fein candidates elected to Westminster see HC Library Research Paper 00/6 – Disqualifications Bill, p 11, http://www.parliament.uk/commons/lib/research/rp2000/rp00-006.pdf

HC Deb 14 May 1997 Vol 294 cc35-6, <a href="http://www.parliament.the-stationery-office.co.uk/pa/cm199798/cmhansrd/vo970514/debtext/70514-01.htm#70514-01 head3">http://www.parliament.the-stationery-office.co.uk/pa/cm199798/cmhansrd/vo970514/debtext/70514-01.htm#70514-01 head3</a>

Library Research Paper 01/116, The Parliamentary Oath, pp.33-9 http://www.parliament.uk/commons/lib/research/rp2001/rp01-116.pdf

Gerry Adams (Belfast West), Pat Doherty (West Tyrone), Michelle Gildernew (Fermanagh and South Tyrone) and Martin McGuinness (Mid Ulster)

HC Deb 13 December 2001 Vol 376 cc1001-19, http://www.parliament.the-stationery-office.co.uk/pa/cm200102/cmhansrd/cm011213/debtext/11213-05.htm#11213-05 head0

amendable and whether there would be a free vote. <sup>6</sup>Mr Forth also asked about implications for the staff of Members. Mr Cook replied:

Let me deal with the questions that the right hon. Gentleman asked about Tuesday's debate. It is a House of Commons matter and there will not be a Whip on this side. [Hon. Members: "Nor a payroll vote?"] Nor will the debate be time limited; it does not qualify for a specific limit under Standing Orders and it will therefore be open ended. Like any other motion of the House, it is wholly amendable. Conservative Members can table any amendments that they wish. As the debate commences at 3.30 pm, Divisions cannot be deferred, and we would not wish to have a deferred vote on the matter. We want a full and open debate on whatever amendments the right hon. Gentleman cares to table, and to hold a vote at the end of it.

I remind the right hon. Gentleman that we are dealing with a matter that dates only from 1997, when Speaker Boothroyd made her statement to the House. She withdrew from Sinn Fein Members access to areas within the parliamentary precincts. They had access without passes until then. They also had access to some 20 different services and facilities of the House. <sup>7</sup>

In response to further questioning from Roy Beggs, the Ulster Unionist Shadow Leader of the House, Mr Cook stated that the vote would be on a one-line whip and that he expected Government members to support the motion.<sup>8</sup>

## C. The Motion

The Motion was published on 14 December 2001, in the name of the then Leader of the House Robin Cook and the then Northern Ireland Secretary, John Reid:

That, with effect from 8th January 2002, those Members who have chosen not to take their seats and thus do not qualify to participate in proceedings in Parliament may use the facilities within the precincts of the House and the services of departments of the House, and may claim support for their costs as set out in the Resolution of 5th July 2001, relating to Members' Allowances, Insurance &c., and the allowances relating to travel within the United Kingdom for Members, their families and staff.

There was considerable press interest in the motion.<sup>9</sup> The motion did not provide for access to Short money, the scheme of financial assistance to opposition parties at Westminster.<sup>10</sup> Similarly the motion did not affect the exclusion of parties with two or more Members of Parliament, but whose Members have not taken the oath, from receiving Policy Development Grants.

The Official Opposition tabled a number of amendments to the motion, with the aim of relating the motion to the timetable for the completion of decommissioning of IRA arms, and

<sup>6</sup> Hc Deb 13 December 2001 c1001

<sup>&</sup>lt;sup>7</sup> Ibid cc1003-4

<sup>8</sup> Ibid c1006

<sup>&</sup>lt;sup>9</sup> "No longer alone", the *Guardian*, 14 December 2001, p23

<sup>&</sup>lt;sup>10</sup> For details see Library Research Paper 04/40, *Parliamentary Pay and Allowances:*,

to take account of the security implications for the House.<sup>11</sup> Members of the Democratic Unionist Party and the Ulster Unionist Party indicated their support for some of these amendments.

## D. The debate of 18 December 2001

The debate took place on 18 December 2001.<sup>12</sup> Robin Cook, opening the debate, emphasised that access to the precincts had only been withdrawn following the ruling by Madam Speaker in 1997. During an intervention by Alan Duncan, Mr Cook accepted that the motion introduced a 'new situation' as it would "provide constituency allowances to the four Sinn Féin Members, and any other hon. Member who does not take the Oath, on the same basis as to any other elected Member."<sup>13</sup>

Quentin Davies, objected to the motion on several grounds. It created a 'two-tiered' membership of the House, by allowing access to facilities to Members who had not taken the Oath. He also stated that the Conservative Party objected "to the idea of making more unreciprocated concessions to Sinn Féin - IRA--especially treating the rules of the House of Commons as the currency for such concessions." He went on to comment that:

There is in fact no comparison at all between the position in Stormont and that in the House, because Sinn Fein-IRA have agreed to take their seats in the Assembly at Stormont and in the Executive there; they are playing a full part in those two new devolved institutions. For my part, I am delighted that they are playing a full part in those institutions, and we would welcome it if they decided to take a full part in the proceedings of the House of Commons and took their seats here.<sup>15</sup>

Lembit Opik, the Liberal Democrat Shadow Northern Ireland Secretary, commented there would be a completely free vote for Liberal Democrat Members. He was, on balance, in favour of the motion. David Trimble, then Leader of the Ulster Unionist Party commented that it was a new situation, not a return to the pre-1997 situation. Mr Trimble then related the motion to the Belfast Agreement, commenting that the motion was not part of the Agreement and therefore the Government should:

explain why they are introducing something that is not part of the agreement, that will damage the process that we are engaged in <sup>16</sup>

The Rev Ian Paisley, Leader of the Democratic Unionist Party, also expressed severe opposition, opposing special privileges for types of Members. Douglas Hogg related the issue to that of the Parliamentary Oath, saying that although he would vote against the Motion because it created a two-tier membership he supported a change, or abolition of the oath.<sup>17</sup>

See also Library Research Paper 01/ 114, *Northern Ireland Decommissioning (Amendment) Bill 2001-02*, <a href="http://www.parliament.uk/commons/lib/research/rp2001/rp01-114.pdf">http://www.parliament.uk/commons/lib/research/rp2001/rp01-114.pdf</a>

<sup>&</sup>lt;sup>12</sup> HC Deb Vol 377, cc151-262

<sup>&</sup>lt;sup>13</sup> c15

<sup>&</sup>lt;sup>14</sup> c160

<sup>&</sup>lt;sup>15</sup> c162

<sup>&</sup>lt;sup>16</sup> C199- 205

<sup>&</sup>lt;sup>17</sup> c221

The debate was summed up by Dr John Reid, then Northern Ireland Secretary. He started by saying that staff of members affected by the motion would be "vetted in the normal fashion." He went on to comment that by allowing Sinn Féin members to have access to Commons facilities, not only would those who voted Sinn Féin be able to have representation, but also the 100,000 voters who voted for other parties in the four constituencies and were entitled to representation. <sup>19</sup>

The House then voted. The Closure motion was approved by 328 to 112 and amendments to create linkage with actions to be undertaken by Sinn Fein were not approved. The main question was then agreed by 322 to 189.

### E. Reaction to the Debate

Following the vote, Sinn Féin issued a press release welcoming the decision:

...People should also be very clear that this does not mark a shift in the Sinn Féin policy of abstentionism. The majority of the nationalist electorate supported the legitimate abstentionist position, which we held at the last Westminster election. We will not be swearing an oath to a British monarch nor will we be taking seats in Westminster. Today the British government have accepted that using our abstentionist position to deny the rights and entitlements of the Sinn Féin electorate is unacceptable."<sup>20</sup>

The Democratic Unionist Party also issued a press release after the vote, which said:

...Concession after concession has been delivered to the republican movement – the destruction of the RUC, cross border bodies with Executive powers, Sinn Fein/IRA members in Government, their terrorist friends released from prison etc etc. This current concession of granting them an office presence in Westminster is but the next in the concession process. More no doubt will follow. How can we go to war against Islamic terrorists in Afghanistan while at the same time at home we place them in Government and give them office facilities at Westminster? The vote in the House of Commons to permit Sinn Fein entrance to the House is yet another political pay-off to the Republican movement"<sup>21</sup>

The vote was covered in detail in the media.<sup>22</sup>

### F. Office costs

As mentioned in the Motion, those parties eligible to use the facilities without having taken the Oath were given support for their office costs. A new system of support for Members'

<sup>&</sup>lt;sup>18</sup> c240

<sup>&</sup>lt;sup>19</sup> c243

<sup>20 &</sup>quot;Rule change on facilities at Westminster welcomed", Sinn Fein press release, 18 December 2001, http://sinnfein.ie/

Another government concession to Sinn Fein/IRA, Democratic Unionist party Press Release, 19 December 2001, http://www.dup.org.uk/scripts/dup\_s/newsdetails.idc?article\_ID=1028

<sup>&</sup>lt;sup>22</sup> "Parliament humiliated", *Daily Telegraph*, 19 December 2001

office costs was announced on 5 July 2001,<sup>23</sup> and is covered in detail in Library Research Paper 01/88.<sup>24</sup> Under this system, staff salaries are paid centrally by the House authorities, although staff remain the employees of MPs. The annual staffing allowance per Member is intended to pay for between two and three full-time equivalent staff. Members can now claim central provision and maintenance of certain IT equipment for their offices. This includes provision for constituency offices. An Incidental Expenses Provision is available for other expenses involved in running an office (eg, office rents and rates). The rates for these allowances are set out in Library Research Paper 04/40 *Parliamentary Pay and allowances*.<sup>25</sup> The expenditure tables for each Member since June 2001 is set out at <a href="http://194.128.65.30/hocallowances.htm">http://194.128.65.30/hocallowances.htm</a> on the parliamentary website, which also gives guidance on the details of the allowance system. Full details of the amounts paid to SF Members since the financial year 2001-2 are at Appendix 1 to this Note.

# G. The Parliamentary Oath

During and after the debate on 18 December 2001, there was speculation that the Oath could be altered to allow Members to take their seats without swearing allegiance to the Monarch. However, in answering a question from Nicholas Winterton during questions to the Leader of the House on 15 January 2002, the then Leader of the House, Robin Cook, rejected the suggestion that the Government had any plans to change the oath:

**Mr. Nicholas Winterton (Macclesfield):** What proposals he has to reform of the Oath of Allegiance for hon. Members taking their seats in the House.

The President of the Council and Leader of the House of Commons (Mr. Robin Cook): The form of the Oath is prescribed by statute. The Government have no plans to amend it.

**Mr. Winterton:** The Leader of the House will appreciate the reason for my question and, I am sure, my total commitment to this place. Does he believe that anyone who becomes a Member of Parliament should have a true allegiance to the country in whose Parliament he or she seeks to serve? Is not there a danger in what the Government have done recently that we will establish two classes of Member of Parliament, which is a dangerous precedent indeed?

**Mr. Cook:** I fully recognise the commitment of the hon. Gentleman to this place and the service that he has given to it. I assure him that I fully endorse his view that people should not take their seat here unless they are committed to making a success not only of this place but of the nation that this place represents. That is why we have made no change that would enable any of the Sinn Fein Members--or anybody else who does not take the Oath or affirm--to take their seats, to take part in votes or to speak. On the issue of two classes of Member of Parliament, I take the view that what we did in December erodes the distinction between those who have not taken the Oath and those who have in relation to allowances and access to this place, but in no way does it erode the difference between those of us who take our seats and those who do not.<sup>26</sup>

<sup>&</sup>lt;sup>23</sup> HC Deb 5 July 2001, Vol 371 cc421-78,

<sup>&</sup>lt;sup>24</sup> Members Office Costs: the new system,

<sup>&</sup>lt;sup>25</sup> See <a href="http://www.parliament.uk/commons/lib/research/rp2004/rp04-040.pdf">http://www.parliament.uk/commons/lib/research/rp2004/rp04-040.pdf</a>

<sup>&</sup>lt;sup>26</sup> HC Deb 15 January 2002, Vol 378 c438

The text of the oath is set out in Appendix 1 to Library Research Paper 01/116 *The Parliamentary Oath.* 

# H. Register of Members' Interests

Some Members commented during the debate that the Sinn Féin MPs would not have to register their interests, as the rules then current said this should take place within three months of a Member taking their seat. The rules at that time allowed Members who did not take their seats not to complete a registration form.

The Standards and Privileges Committee looked at the matter, reporting on 12 February 2002. In their report, they recommended that "the rules should be amended so that members are required to submit their registration form within three months of their election to the House".<sup>27</sup> The Committee's report was debated on 26 March 2002, and was approved without a vote. <sup>28</sup>

The Chairman of the Standards and Privileges Committee, Sir George Young, introducing the debate, commented:

I should explain to the House that Members who, for whatever reason, have not taken their seat are still Members of this House. The code of conduct and the rules on registration and declaration of interests apply to all Members of this House, whether or not they have taken their seat. However, the rules are so worded that Members have three months from taking their seat to comply with the requirement to register their interests. So a Member who does not take his seat is not exempt from the requirement to register, but is, in effect, given an unlimited period within which to do so.<sup>29</sup>

Sir George then went on to comment that three of the four Sinn Fein Members had actually completed their registration forms by the start of the debate.<sup>30</sup>

## I. Access to Lords facilities

In response to a parliamentary question, Baroness Symons of Vernham Dean, for the Government, indicated that this was a matter for the House of Lords' Offices Committee.<sup>31</sup> The House of Lords Offices Committee published a report on 14 May 2002. It concluded:

On 18 December 2001 the House of Commons decided to grant full access to Commons facilities to Members of that House who have not taken the oath. As a result the four MPs directly concerned have been issued with full Members' passes,

http://www.parliament.the-stationery-

office.co.uk/pa/cm200102/cmselect/cmstnprv/624/62402.htm

Standard and Privileges Committee Sixth report, 2001-02, Registration of interests by members who have not taken their seat, HC 624, 2001-02,

<sup>&</sup>lt;sup>28</sup> HC Deb vol. 382 cc708-715

<sup>&</sup>lt;sup>29</sup> Ibid, c708

<sup>&</sup>lt;sup>30</sup> See Register of Members Interests as at 25 March 2002,

http://www.publications.parliament.uk/pa/cm/cmregmem/memi02.htm

<sup>31</sup> HL Deb 22 April 2002 vol. 634 c7-8

and enjoy exactly the same rights of access to the Palace of Westminster as any other MP, with the exception that they may not enter the Chamber of the House of Commons or otherwise participate in proceedings.

It has long been a convention of both Houses that certain courtesies should be extended to Members of the other House. The courtesies extended by this House to MPs are as follows: they may stand at the Bar of the House to listen to debates; they may use the Library reading rooms; and they may use the Members' Gallery.

In addition, MPs may sponsor tours of the Line of Route, part of which passes through the House of Lords.

Since 18 December the four MPs who have not taken the oath have enjoyed the same privileges that have been granted by the House of Lords to MPs as a whole. However, as an interim measure staff have been instructed not to permit them either to enter the Chamber to stand at the Bar of the House or to use the Library. Should they request entry into the Chamber they will be directed to the Members' Gallery. Given that as ordinary members of the public they enjoy an absolute right of access to the Strangers' Gallery, the House authorities have taken the view that there is nothing to be gained in barring them from the Members' Gallery. However, none of these interim arrangements has any formal standing: it is for the House to decide whether they should be formalised and put on a permanent footing, or changed.

The Committee has taken account of the strong feelings within the House, but has also weighed up what is achievable in practice. We understand that there may be Members who feel, as a matter of principle, that the four MPs should not be entitled to have access to any of the premises of the House of Lords. But regardless of abstract entitlement the House has to acknowledge that all pass-holders, Members as well as staff of both Houses, do as a matter of fact have access to most areas within the Palace of Westminster. Such a ban on the four MPs would not be enforceable except at wholly prohibitive cost.

In contrast, we believe that the House authorities can control access both to the Bar of the House and the Library effectively, and at minimal cost. Access to the Bar of the House is a practical as well as a symbolic privilege for MPs—it allows them to listen to debates in the House of Lords that are relevant to and may influence their own parliamentary work. MPs who have not taken the oath may not participate in any proceedings of the House of Commons, and we therefore see no reason why they should be granted the privilege of standing at the Bar.

The Committee therefore recommended that the privilege of access to the Bar of the House and to the Library should not be extended to Members of the House of Commons who have not taken the oath. This recommendation was agreed to on 10 June 2002.<sup>32</sup>

# J. Take-up of office facilities by Sinn Féin

Sinn Féin moved into their Commons offices on 21 January 2002. However, Gerry Adams was quoted in the *Financial Times*, as saying that "There will never, ever be Sinn Féin MPs sitting in the British Houses of Parliament."<sup>33</sup>

Following the suspension of devolution in Northern Ireland from midnight on Monday 14 October 2002, Gregory Campbell, DUP, put down an Early Day Motion:

<sup>32</sup> HL Deb c18

<sup>&</sup>lt;sup>33</sup> "Vow as Sinn Fein MPs get to Commons", *Financial Times*, 22 January 2002, p.4

That this House contends that, given the suspension of the Northern Ireland Assembly due to a series of acts of violence, illegal acts, and importation of arms, connected with the military wing of Sinn Fein/IRA, the use of facilities granted earlier this year to Sinn Fein/IRA honourable Members elected to Parliament be withdrawn.<sup>34</sup>

The then Conservative Leader Iain Duncan-Smith also called for Sinn Fein's rights to Commons facilities to be withdrawn. Addressing the Ulster Unionist Party Conference, Mr Duncan Smith said:

The Government must accept that the one-sided and unnecessary concessions such as Sinn Fein's special status at Westminster have undermined previous tough words. By the way, in the light of Sinn Fein's behaviour at Stormont, this special status must be reviewed. Along with breaches of the ceasefire this has done more than anything to give the impressions that the process is a one-way street and to undermine confidence in it.<sup>35</sup>

The Prime Minister, Tony Blair, responding to a question from Andrew Robathan on this issue, commented "I understand that office facilities are a matter for the House, not me...I can only imagine what Opposition Members would say if I said that they were a matter for me." I lain Duncan Smith. tabled a motion to withdraw House facilities to Sinn Finn for an Opposition day debate on 28 October 2002. However no changes in access to facilities were made.

# K. Pay and Allowances for Members of the Northern Ireland Assembly

The pay and allowances system for Members of the Assembly were most recently set by the Northern Ireland Assembly (Elections and Periods of Suspension Act) 2003. This included provisions to allow former Members to receive salaries and allowances up to the last nomination day for the next election and if nominated, up to the end of the day of the poll for that election.

While direct rule is still in operation, members of the new Assembly are subject to the provisions in paragraph 9 of Schedule 1 to the *Northern Ireland Act 2000*:

9(1) While section 1 is in force, the functions of the Assembly under sections 47 and 48 of the 1998 Act (remuneration and pensions) are exercisable by the Secretary of State.

The wording of s47(9)(a) of the 1998 Act causes some difficulties under direct rule since it refers to the member's entitlement beginning from the day he takes his seat in accordance with standing orders. Standing Orders make clear that it is necessary to first sign the roll of membership. This is inappropriate when the Assembly itself is not sitting. The Secretary of State made a modification order to the *Northern Ireland Act* to make allowances payable

<sup>&</sup>lt;sup>34</sup> EDM 1178, 2001/02, 15 October 2002

<sup>&</sup>quot;Duncan Smith: Restore balance to the peace process", speech to the Ulster Unionist Party Conference, 19 October 2002, http://www.conservatives.com/news/article.cfm?obj\_id=42394&speeches=1

<sup>&</sup>lt;sup>36</sup> HC Deb 23 October 2002 Vol 391 c272

from 5 December 2003, 8 days from the poll, the time when the Assembly would have convened if devolution had been in place.<sup>37</sup> A determination order sets out the amounts payable.<sup>38</sup> The modification order was debated in the Lords on 9 December 2003<sup>39</sup> and in the Commons on 11 December 2003. The salary is approximately 70 per cent of the full rate:£31,817 per annum, the rate paid following suspension of the Assembly in October 2002, until dissolution in April 2003.

The Financial Assistance for Political Parties Act (Northern Ireland) 2000, passed by the Assembly, introduced a statutory scheme to entitle political parties in the Assembly to funding on the lines of the non-statutory Short Money system. Section 51B of the Northern Ireland (Monitoring Commission) Act 2003 gave the Secretary of State power to withdraw such funding as a sanction and this has been used. Section 47B also allows the Secretary of State to withdraw salaries from individual Members or Ministers. These powers have not been used.

# L. Withdrawal of party allowances from Sinn Fein and PUP Assembly members

The Independent Monitoring Commission was established formally on 7 January 2004; almost six years after the Belfast Agreement and ten years after the first Provisional Irish Republican Army (PIRA) ceasefire. Its immediate origins lie in the Joint Declaration of the British and Irish Governments of May 2003. The Commission was established under the *Northern Ireland (Monitoring Commission etc) Act 2003.* Its functions are to:

- Monitor and report on continuing activity by paramilitary groups
- Report on the progress of implementation of normalisation measures by the British Government, in the context of acts of completion by paramilitaries
- Consider allegations from a party represented in the Assembly that another party represented in the Northern Ireland Assembly, or a Minister of the devolved administration was not committed to non-violence, or had breached the terms of the pledge of office.

The Commission's first report was published on 20 April 2004. It commented on the continuing level of paramilitary violence in the nationalist and loyalist communities, and recommended the sanction of suspending allowances:

In the case of measures to be taken by the Assembly, they cannot apply until such time as the Assembly is restored. We nevertheless want to make clear that had the Assembly now been functioning, we would have recommended in respect of Sinn Féin and the Progressive Unionist Party measures up to and possibly including exclusion from office. In this way we can best indicate to those who are elected to the Assembly and who may aspire to serving in a

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Northern Ireland Act 1998 (Modification) Order 2003

<sup>38</sup> Northern Ireland Assembly (Members' Salaries and Allowances) (No 2) Determination 2003

<sup>39</sup> HI Deb c701-8

Further details are in Research Paper 03/69 The Northern Ireland (Monitoring Commission etc) Bill [HL]

devolved administration what they might expect from us at such time as restoration may come.41

Whilst the Northern Ireland Assembly remains un-restored and it is not therefore possible for us to recommend measures it might take, we recommend that the Secretary of State should consider taking action in respect of the salary of Assembly members and/or the funding of Assembly parties so as to impose an appropriate financial measure in respect of Sinn Féin and the Progressive Unionist Party. 42

On 20 April 2004, the then Secretary of State for Northern Ireland, Mr Paul Murphy, made a statement to the House of Commons in which he endorsed the findings made by the IMC:

In the light of that, and having considered the report, I am persuaded that it would be right to remove for a period the entitlement to the block financial assistance paid to Assembly parties in respect of both Sinn Fein and the Progressive Unionist party, and I propose to do so next Wednesday, 28 April. I have therefore today made an order under the urgency procedure. amending the Northern Ireland Act 1998 as amended by the legislation that we passed last year, to allow me to take this step in the absence of a sitting Assembly. It will also permit me to act to reduce Members' salaries should I see fit to do so in the light of a future IMC report. I will, however, in line with the legal requirement on me to act fairly, take account of any representations that I receive by next Tuesday from the two parties concerned before reaching a final decision.<sup>43</sup>

He subsequently issued a direction under s51B(2) of the Northern Ireland Act 1998 to provide that the financial assistance payable under the Financial Assistance for Political Parties Act (Northern Ireland) 2000 should not be payable to SF and the PUP from 29 April 2004 to 28 April 2005. 44

The PUP contested the conclusions of the report and broke off contact with the Commission.<sup>45</sup> 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. 46

The Commission's Third Report, published on 4 November 2004 noted that violence was continuing:

Paramilitary groups from both sides remain deeply engaged in serious organised crime. Criminal activity by paramilitary groups poses a significant

First Report of the Independent Monitoring Commission (HC 516), paragraph 8.5

First Report of the Independent Monitoring Commission (HC 516), paragraph 8.6

<sup>&</sup>lt;sup>43</sup> HC Deb 20 April 2004, c173

<sup>&</sup>lt;sup>44</sup> The Northern Ireland Act 1998 and the Northern Ireland Act 2000 (Modification) Order 2004 SI no 1664

<sup>&</sup>lt;sup>45</sup> Loyalists reject Commission talks, 6 May 2004, BBC News

Secretary of State's First Report under section 11(1) of the Northern Ireland (Monitoring Commission etc.) Act 2003, paragraph 3.14. See In the matter of an application from Sinn Fein for judicial review [2005] NIQB 10 at http://www.courtsni.gov.uk/NR/rdonlyres/164E234D-91A5-45FC-BE3A-648F7AD61659/0/j j WEAC5196.htm

continuing threat which the suspension of politically motivated activity by such groups will not of itself bring to an end. A number of recent incidents give us cause to fear an increase.<sup>47</sup>

Paul Murphy made a written ministerial statement in response in which he said he was reviewing the suspension of Assembly allowances:

In April, I said I would review the current suspension of block financial assistance imposed on Sinn Fein and the Progressive Unionist Party on receipt of this report. I am giving careful consideration to this, and I will of course take into account the matters set out by the IMC.<sup>48</sup>

SF Members at the Assembly continued to receive pay and allowances as individual Members, as indicated by the following parliamentary answer:

**Lady Hermon:** To ask the Secretary of State for Northern Ireland how much has been paid in (a) salaries and (b) office allowances to Sinn Fein Assembly members since 29th April 2004; and if he will make a statement. [6151]

**Mr. Hain:** The total amount paid to Sinn Fein Assembly Members in respect of salaries from 29 April 2004 to 31 May 2005 was £823,239. For the same period, Sinn Fein Assembly members received Office Allowance Costs of £1,211,141.

**Lady Hermon:** To ask the Secretary of State for Northern Ireland if he will make a statement on the effectiveness of the first direction given under section 51B(2) of the Northern Ireland Act 1998 against Sinn Fein removing its entitlement to payments under the Financial Assistance for Political Parties Scheme for the 12 months from 29 April 2004. [6152]

**Mr. Hain:** The first Direction removed Sinn Fein's entitlement to financial assistance for 12 months from 29 April 2004. The assistance Sinn Fein might otherwise have received is approximately £120,000.

**Lady Hermon:** To ask the Secretary of State for Northern Ireland for what reasons he declined to exercise his powers under section 47 of the Northern Ireland Act 1998 to make a determination in relation to the salaries of Sinn Fein Assembly members following the 1st Report of the Independent Monitoring Commission in April 2004. [6153]

**Mr. Hain:** The Direction made by my right hon. Friend the Member for Torfaen in April 2004 concerned party funding. In his statement to the House of Commons on 20 April 2004 he said that having considered the Independent Monitoring Commission's Report, he was persuaded that it would be right to remove for a period the entitlement to the block financial assistance paid to Assembly parties. <sup>49</sup>

Third Report of the Independent Monitoring Commission (HC 1218), paragraph 8.2. See "Sinn Fein legal review dismissed" BBC News 14 February 2005 at http://newswww.bbc.net.uk/2/hi/uk\_news/northern\_ireland/4263915.stm *In the matter of an application by Sinn Fein for Judicial Review*[2005] NIQB 10 from <a href="http://www.courtsni.gov.uk/NR/rdonlyres/164E234D-91A5-45FC-BE3A-648F7AD61659/0/j">http://www.courtsni.gov.uk/NR/rdonlyres/164E234D-91A5-45FC-BE3A-648F7AD61659/0/j</a> | WEAC5196.htm

Written Ministerial Statement on the publication of the Third IMC Report, by Mr Paul Murphy, 4 November 2004

<sup>&</sup>lt;sup>49</sup> HL Deb 29 June 2005 c1471w

Towards the end of 2004 there were hopes of a resolution to the current breakdown of devolution in Northern Ireland. But no breakthrough was achieved.<sup>50</sup> On 8 December 2004 Tony Blair and Bertie Ahern held a news conference where the proposals for the agreement were published and made available for public scrutiny.<sup>51</sup>

There was considerable speculation about the involvement of the PIRA in the Northern Bank robbery on 20 December 2004, where £26m was stolen. Sinn Fein leaders have come under increasing pressure to dissociate themselves as a political party from illegal activities. The Chief Constable of Northern Ireland stated that the responsibility for the robbery lay with the Provisional IRA.<sup>52</sup> Paul Murphy made a statement to the Commons on 11 January on the robbery. He then laid the most recent IMC report before the House on 10 February 2005, which concluded that the PIRA was responsible for the Northern Bank robbery and three other major robberies in 2004.

A Conservative Party Press Release on 21 February called for the suspension of allowances to SF Members at Westminster:

David Lidington, Shadow Secretary of State for Northern Ireland, said: "It is an affront to democracy for taxpayer's money to be given to a party that is inextricably linked to a criminal gang."We have been pressing the Government for a year to rescind the Parliamentary allowances granted to Sinn Fein MPs, following attacks by the IRA in Belfast last February."How much longer will Mr Blair let these people have immunity?<sup>53</sup>

The fourth report of the Independent Monitoring Commission was published on 22 February 2005. This concluded:

14. We draw the same conclusion about the responsibility of Sinn Féin in relation to the recent series of abductions and robberies. In our view Sinn Féin must bear its share of responsibility for all the incidents. Some of its senior members, who are also senior members of PIRA, were involved in sanctioning the series of robberies. Sinn Féin cannot be regarded as committed to non-violence and exclusively peaceful and democratic means so long as its links to PIRA remain as they are and PIRA continues to be engaged in violence or other crime. Although we note Sinn Féin has said it is opposed to criminality of any kind it appears at times to have its own definition of what constitutes a crime. We do not believe the party has sufficiently discharged its responsibility to exert all possible influence to prevent illegal activities on the part of PIRA.<sup>54</sup>

The report concluded that these events would have led to a recommendation to exclude SF from the Northern Ireland Executive, should devolution have been in operation, and instead

For further details, see Library Standard Note no 2899 Northern Ireland- political developments since November 2003 at <a href="http://hcl1.hclibrary.parliament.uk/notes/pcc/snpc-02899.pdf">http://hcl1.hclibrary.parliament.uk/notes/pcc/snpc-02899.pdf</a> The proposals are at <a href="http://www.nio.gov.uk/proposals">http://www.nio.gov.uk/proposals</a> by the british and irish governments for a comprehensive agreement.p

<sup>&</sup>lt;sup>51</sup> Progress but no deal says Blair, BBC News, 8 December 2004

Peace hopes hit as police blame IRA for bank job, Financial Times, 7 January 2005

<sup>&</sup>lt;sup>53</sup> 21st February 2005 Ref:0330/05 *Conservatives move to ban Sinn Fein allowances* 

Fourth Report of the Independent Monitoring Commission at <a href="http://www.nio.gov.uk/fourth">http://www.nio.gov.uk/fourth</a> report of the independent monitoring commission.pdf

recommended the continuing suspension of allowances for SF Assembly Members. It noted suggestions that other public money be withdrawn from SF but stated that this was outside its terms of reference.

Mr Murphy made a statement to the House on 22 February 2005 in which he announced that he would issue a further direction suspending the entitlement of Sinn Fein to the financial assistance available to political parties in the Assembly for a further 12 months:

The IMC concluded on the basis of its own careful scrutiny that Sinn Fein must bear its share of the responsibility for these incidents. It indicated that, had the Northern Ireland Assembly been sitting, it would have recommended that the full range of measures referred to in the relevant legislation be applied to Sinn Fein, including the exclusion of its members from holding ministerial office. In the context of suspension, it recommended that I should consider exercising the powers that I have to apply financial penalties to Sinn Fein.

The House will recall that following the IMC's first report in April last year, I issued a direction removing for a period of 12 months the block financial assistance paid to Assembly parties in respect of both Sinn Fein and the Progressive Unionist party. Having reflected on the IMC's latest report, I have concluded that it would be appropriate for me to issue a further direction removing Sinn Fein's entitlement to this block financial assistance for a further 12-month period, the maximum permitted under the legislation. I am therefore minded to make a further direction to come into effect on 29 April—the day after the existing direction expires. Before reaching a final decision, however, I will take into account any representations made to me by Sinn Fein by next Tuesday. I will make a decision on whether to extend the financial penalties imposed on the PUP last April when I receive the next IMC report covering all paramilitary groups, which is expected in April.

The commission's report also refers to other public money that Sinn Fein receives, although recommendations on this are outside its remit. In this context, I am conscious that hon. Members on both sides of the House have raised concerns in the past about the payment of financial allowances to the four Sinn Fein members who decline to take up their seats here. I hope that the House will welcome the opportunity to debate in the very near future a Government motion proposing that these allowances be suspended on a time scale in parallel with the arrangements at Stormont, in recognition of recent events. The debate on that motion is for another day, but I should emphasise to the House, lest anyone accuse us of denying the extent of Sinn Fein's electoral support, that the measures that we are proposing are designed to express the disapproval of all those who are committed to purely democratic politics at the actions of the Provisional IRA. All in this House recognise the degree of support for Sinn Fein, but we also believe that the actions of the republican movement are letting down everyone in Northern Ireland, including those who vote for Sinn Fein. <sup>55</sup>

The Conservative spokesman, David Lidington, said that his party supported the suspension of financial assistance to Sinn Fein and reiterated his party's opposition to the allocation of allowances to SF Members at Westminster.

The direction 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

<sup>&</sup>lt;sup>55</sup> HC Deb 22 February 2005 c170

subject of further sanctions.<sup>56</sup> For the DUP, Peter Robinson complained that the sanction was insufficient:

During the House's original debate on this issue, we argued that if the Government were serious in wanting to impose a penalty on Sinn Fein, they would have to consider a meaningful one. I find it difficult to think of any penalty that will have less impact on the republican movement than a fine of £100,000 or so. In just the past six months, this organisation has carried out a bank robbery, driving off with £26.5 million. It engages in ongoing racketeering, fuel smuggling and the sale of all manner of counterfeit goods. It has its operations along the border. It intimidates developers and builders, who have to pay it regularly. All that has gone on consistently. When I was a member of the Northern Ireland Affairs Committee, we gauged that some £10 million a year was probably coming in from such activity. These republicans also license drug dealers, whom they permit to sell drugs in their area, and they punish savagely those dealers who do not pay them for the right to sell drugs in their area.  $^{57}$ 

In response, David Hanson, for the NIO, stated that the Government was following the recommendations of the IMC.<sup>58</sup>

# M. The suspension motion in the Commons

The following motion was debated on 10 March 2005. It was tabled by the Leader of the House and the Secretary of State for Northern Ireland:

#### The Leader of the House of Commons (Mr. Peter Hain): I beg to move,

That for a period of suspension of one year commencing on 1 April 2005 the Resolution of the House of 18 December 2001 relating to Members who have chosen not to take their seats and thus do not qualify to participate in proceedings in Parliament shall not have effect in so far as it provides for their claiming support for their costs under the provisions of the Resolutions of this House relating to Members' Allowances, Insurance etc., and the allowances relating to travel within the United Kingdom for Members, their families and staff.

The motion stands in my name and that of my right hon. Friend the Secretary of State for Northern Ireland. It relates to the allowances paid to Members of this House who choose not to take up their seats and provides that payment of these should be suspended for 12 months. The Government propose this change in recognition of the concern felt on both sides of the House about the involvement of the Provisional IRA in the Northern bank robbery that took place just before Christmas.<sup>59</sup>

The Opposition tabled amendments to make the withdrawal of allowances permanent and also to withdraw access for Sinn Fein to the Palace of Westminster, which would include access to their offices, and the Library and Refreshment Department services. The 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." 60

<sup>58</sup> Ibid c493

<sup>&</sup>lt;sup>56</sup> HC Deb 16 June 2005 c474

<sup>&</sup>lt;sup>57</sup> Ibid c485

<sup>&</sup>lt;sup>59</sup> HC Deb 10 March 2005, c1704

<sup>60</sup> HC Deb, 10 March 2005, c1712

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".

**Mr. Hain:** That is precisely the balance to be struck. My hon. Friend again asserts the primacy of elected Members of Parliament in being able to represent their constituents and the right of those constituents to have their views represented. That is why, under this decision, they will not be barred from access to the House. They and their staff will still be able to use the offices, free post, and telephone facilities, and have access to the Library and to catering, in order to carry out their responsibilities to their constituents, some of whom may have elected them and some of whom may have voted for other parties. I am trying to advance a parliamentary point here. <sup>61</sup>

A further amendment put down by David Trimble and supported by Ian Paisley called for the trial by impeachment of Gerry Adams, Martin McGuinness and Pat Doherty if it could be proven that they were or had been members of the IRA army council. The IMC conclusion that the Sinn Fein leaders were aware on the Northern Bank robbery was prayed in aid of impeachment. However, the amendment was not called by the Speaker.

The Secretary of State said in response to Sir Patrick Cormack request for an "absolute assertion" that there would be a free vote on the motion replied:<sup>62</sup>

The Secretary of State for Northern Ireland (Mr. Paul Murphy): This has been an informed and interesting debate. Obviously, that has resulted in different points of view being expressed.

Before I make my remarks, I want to reply to the hon. Member for South Staffordshire (Sir Patrick Cormack) with regard to the nature of the whipping on this debate. I can do no better than refer to the points made by the then Leader of the House, my right hon. Friend the Member for Livingston (Mr. Cook), in the previous debate:

"it will be on a one-line Whip. If Labour Back Benchers do not share the view I have expressed, they are perfectly entitled to express theirs. As to other members of the Government, I shall move the motion on the Government's behalf and of course I shall, not unreasonably, look to the Government for support."—[Official Report, 13 December 2001; Vol. 376, c. 1006.]

The Opposition amendments were lost by 170 to 358 and 171 to 357 votes and the original motion was passed.

# N. Restoration of allowances for Sinn Fein Members in the Commons

At the general election on 5 May 2005, five Sinn Fein Members were elected. On 28 July 2005 the IRA formally ordered an end to its armed campaign and said it would pursue exclusively peaceful means.<sup>63</sup>

<sup>61</sup> HC Deb, 10 March 2005, c1706

<sup>&</sup>lt;sup>62</sup> HC Deb, 10 March 2005, c1745

<sup>&</sup>lt;sup>63</sup> BBC News, IRA statement in full, 28 July 2005

The IRA statement was welcomed by the British and Irish Governments on 28 July.<sup>64</sup> The new Northern Ireland Secretary, 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.<sup>65</sup> These points were repeated in a statement to the Commons on 13 October 2005..<sup>66</sup>

Peter Hain made a written ministerial statement to the Commons on 19 October 2005 following the publication of the seventh report from the Independent Monitoring Commission in which he set out proposals to restore allowances to Sinn Fein Members in the Assembly. The IMC made some encouraging comments in relation to the IRA after the 28 July announcement of an end to its armed campaign, but also noted:

Clearly we are looking for cumulative indications of changes in behaviour over a more sustained period of time. <sup>67</sup>

#### 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.<sup>68</sup>

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 too early to make a definitive judgement on the question of returning public funds to Sinn Fein at this time," he said. <sup>69</sup>

The decision also sparked hostile reaction from Rev Ian Paisley at Prime Minister's Question Time on 19 October. David Lidington, for the Conservatives, considered that it was too early to make decisions in respect of allowances.

<sup>&</sup>lt;sup>64</sup> Press Notice *Northern Ireland Office* 28 July 2005

<sup>&</sup>lt;sup>65</sup> "Hain responds to IRA statement" Northern Ireland Office 28 July 2005

<sup>&</sup>lt;sup>66</sup> HC Deb 13 October 2005 c449-452

<sup>&</sup>lt;sup>67</sup> Seventh Report para 3.18

<sup>&</sup>lt;sup>68</sup> HC Deb 19 October 2005 c58WS

<sup>&</sup>lt;sup>69</sup> "IRA progress signs encouraging" *BBC News* 19 October 2005

<sup>&</sup>lt;sup>70</sup> HC Deb 19 October c843

On 24 October 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. The Direction indicated that the annual amount of assistance was £120,000. Act 1998 against Sinn Fein removing its entitlement to payments under the Financial Assistance for Political Parties Scheme for the 12 months from 29 April 2004.

That day at Business Questions, Nigel Dodds for the DUP expressed his party's concern. 72

# O. The motions for debate on 8 February.

The motions were as follows:

OPPOSITION PARTIES (FINANCIAL ASSISTANCE) Mr Geoffrey Hoon Mr Secretary Hain

That, in the opinion of the House,—

- (1) Financial assistance should be provided, with effect from 1st November 2005, to any opposition party represented by Members who have chosen not to take their seats and thus do not qualify to participate in the proceedings in Parliament, towards expenses wholly, exclusively and necessarily incurred for the employment of staff and related support to Members designated as that party's spokesmen in relation to the party's representative business.
- (2) The amount of financial assistance payable to a party under this Resolution shall be calculated and paid by analogy with sub-paragraphs 1(1) to (6) and (8) and 2(1) to (5) of the Resolution of the House of 26th May 1999.
- (3) As soon as practicable, but no later than nine months after 31st March each year, a party claiming financial assistance under this resolution shall furnish the Accounting Officer of the House with the certificate of an independent professional auditor, in a form determined by the Accounting Officer, to the effect that all expenses in respect of which the party received financial assistance during the period ending with that day were incurred exclusively in accordance with paragraph (1) of this resolution.
- (4) If an audit certificate under paragraph (3) above has not been furnished within the time specified no further financial assistance under this resolution shall be paid until such a certificate is so furnished.

49SUPPORT FOR MEMBERS WHO HAVE CHOSEN NOT TO TAKE THEIR SEATS Mr Geoffrey Hoon Mr Secretary Hain

That the Resolution of the House of 10th March 2005 relating to Support for Members who have chosen not to take their Seats be amended by substituting for the words 'a period of suspension of one year commencing on 1st April' the words 'the period 1st April 2005 to 31st October'.

At Business Questions on 26 January, there were protests at the terms of the motions.  $^{73}$ 

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

<sup>&</sup>lt;sup>72</sup> HC Deb 20 October 2005 c990

<sup>&</sup>lt;sup>73</sup> HC Deb 26 January 2006 c1521

At the end of January 2006 the Independent International Commission on Decommissioning presented a report to the British and Irish Governments. It concluded that in the absence of evidence to the contrary, its assessment of 26 September regarding IRA arms remained correct.<sup>74</sup>

The Eighth Report from the International Monitoring Commission was published on 1 February 2006.<sup>75</sup> 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". <sup>76</sup>

# P. The motion on financial assistance analogous to Short money

The current non-statutory Short money scheme is administered under a Resolution of the House of 26 May 1999.<sup>77</sup> Short Money is made available to all opposition parties in the House of Commons that secured either two seats or one seat and more than 150,000 votes at the previous General Election. Although the Resolution does not specifically state this, Short money is not available to parties whose Members have not sworn the oath, because it is designed to offer assistance for parliamentary duties. The scheme has three components:

- 1) Funding to assist an opposition party in carrying out its Parliamentary business
- 2) Funding for the opposition parties' travel and associated expenses
- 3) Funding for the running costs of the Leader of the Opposition's office

<sup>&</sup>lt;sup>74</sup> available from http://cain.ulst.ac.uk/events/peace/decommission/iicdreports.htm

 $<sup>^{75}</sup>$  HC 870 2005-6 available at http://news.bbc.co.uk/1/shared/bsp/hi/pdfs/01\_02\_06\_imc\_eighth\_report.pdf

<sup>&</sup>lt;sup>76</sup> "Positive IMC report shows IRA moving in the right direction" 1 February 2006 Northern Ireland Office PN

<sup>&</sup>lt;sup>77</sup> HC Deb 26 May 1999 c427-9

A summary of the 2005/06 allocations are set out Library Standard Note no 1663 *Short Money*. Each component is uprated annually on 1 April by the percentage increase in the RPI in the year to the previous December.<sup>78</sup> Allocations throughout a Parliament are based on the results of the previous General Election.

Paragraph 1 of the original Short Money Resolution in 1975 provided that financial assistance was available to parties "to assist that party in carrying out its parliamentary business" and paragraph 6 required parties to certify "that the expenses in respect of which assistance is claimed have been incurred exclusively in relation to that party's parliamentary business". These terms are repeated in the current resolution of 26 May 1999.

The motion passed on 8 February 2006 is to create a scheme solely for an opposition party "represented by Members who have chosen not to take their seats". This would provide for "expenses wholly, exclusively and necessarily incurred for the employment of staff and related support to Members designated as that party's spokesman in relation to the party's representative business." There is no definition of "representative business" in the motion, and, hitherto, the term has not been used in parliamentary procedure. The terms of the motion would appear to allow Sinn Fein to use funds calculated on the same terms as Short money for different types of expenditure, such as for press and publicity and other representative functions. Other opposition parties have access to Short money to support parliamentary business only and no equivalent extension for representative work has been announced for them.

The calculation of the amounts to be payable under the separate scheme for Sinn Fein would be based on the following elements of Short money:

- General funding for Opposition Parties the amount payable to qualifying parties from 1 April 2005 is £12,518 for every seat won at the last election plus £25 for every 200 votes gained by the party.
- Travel Expenses for Opposition Parties the total amount payable under this component of the scheme for the financial year commencing on 1 April 2005 is £137,506 apportioned between each of the Opposition parties in the same proportion as the amount given to each of them under the basic funding scheme set out above.

Using the total number of seats gained in May 2005 multiplied by the 174,530 votes cast for Sinn Fein, the party is expected to receive £84,406 under the general funding heading. The 8 February motion also makes reference to access to funds calculated on the basis of the travel expenses element of Short money, but not the component which funds the office of the Leader of the Opposition.

Short money general funds are largely spent on research support for front-bench spokesmen, assistance in the Whips' offices and staff for the Leader of the Opposition. Short money is funded through the House of Commons Members' Salaries etc Estimate. The sums payable to parties generally are paid automatically in arrears every month, as is the sum to the

<sup>&</sup>lt;sup>78</sup> Uprating has been based on December's inflation rate since April 2004, prior to this the inflation rate in March was used as the basis for uprating Short Money

Office of the Leader of the Opposition. Only the travel element has to be claimed by Members, again usually monthly, from the Operations Directorate of the Department of Finance and Administration. Parties claiming Short money must provide the Accounting Officer of the House of Commons (the Clerk of the House) with an auditor's certificate confirming that all expenses claimed were incurred exclusively in relation to the party's Parliamentary business. <sup>79</sup>The *Green Book (Parliamentary Salaries, Allowances and Pensions)* published by Finance and Administration sets out the form of the certificate used by the independent auditor on p29. <sup>80</sup>

Very little information is published about the qualifying parties' use of their Short Money allocation in carrying out their parliamentary business. There has been some concern over the years about whether Short money is being used appropriately.<sup>81</sup>

In 2001, in its inquiry into special advisers, the Public Administration Select Committee (PASC) also considered Short money. PASC noted that a definition had been agreed between the Fees Office (now the Operations Directorate of the Department of Finance and Administration), the Official Opposition, the Accounting Officer and the National Audit Office as to what constituted 'parliamentary business'<sup>83</sup> It noted that its witnesses "thought there was room for more guidance" and that "the Official Opposition and its auditors were unable to give a categorical assurance that its Short Money funding was used exclusively for parliamentary business". It also expressed concern that a "description of parliamentary business was arrived at, without consideration by the House". Page 1975.

In its response to the Committee's recommendation, the Government gave the following commitment:

The Government recognises the Committee's concerns about the need for greater clarity over the terms and conditions governing the allocation of Short money, not least because of the significant sums of public money involved. Following the Committee's observations the Government will seek to work with the other political parties to achieve greater clarity and transparency in the use of Short money.<sup>85</sup>

In its report into allegations against Iain Duncan Smith in 2004, the Standards and Privileges Committee recommended that the scope of the relevant parliamentary allowances should be clarified as necessary, and considered that the new Members' Estimates Committee might appropriately take up the matter.86 The Members' Estimate Committee has published a concordance under SO no 152D, which sets out a list of provisions of Resolutions of the House relating to expenditure charged to the Members' Estimate, including Short money., which has been reported to the House. lt is available at http://www.publications.parliament.uk/pa/cm200405/cmselect/cmmemest/240/240ii.pdf 87

<sup>79</sup> HC Deb 13 April 2000 Vol 348 c272W

<sup>80</sup> See http://www.parliament.uk/documents/upload/HofCpsap.pdf

eg see Fraser Kemp's Early Day Motion 214 1997/98

Public Administration Select Committee, Special Advisers: Boon or Bane: The Government's Response to the Committee's Fourth Report of Session 2000-01, 18 December 2001, HC 463 2001-02

<sup>83</sup> *Ibid*, paras 45-46

<sup>84</sup> *Ibid.* paras 49-50

Public Administration Select Committee, Special Advisers: Boon or Bane, 13 March 2001, HC 293 2000-01, para 40

<sup>86</sup> HC 476 2003-4

<sup>87</sup> HC 240-II May 2005

A recent parliamentary answer provided some further information on the accountability mechanisms for Short money..<sup>88</sup>

During the debate, the Leader of the House confirmed that analogous arrangements requiring a certificate from an independent auditor would apply to Sinn Fein.

# Q. The debate on 8 February 20006

In proposing the motion, the Leader of the House, Geoff Hoon said:

The motion on financial assistance would make available to parties with Members who had not taken their seats an allowance for the purpose of a party's representative business. It is intended to recognise and further encourage the republican movement along the political path. The motion is a further recognition of the historic changes that the IRA and Sinn Fein have made. I hope that it will bolster the process of democratisation, stability and, more importantly, lasting peace in Northern Ireland. I recognise that the Independent Monitoring Commission made no recommendation on the motion—nor would that have been appropriate<sup>89</sup>

. . .

The Government's aim today is to encourage Sinn Fein MPs to play the fullest role in democratically representing their constituents and to support the republican movement as a whole along a democratic path. The motion would provide Sinn Fein with a maximum of £84,000 a year, together with a small amount of about £2,000 a year for travelling expenses, from 1 November 2005. That will be subject to strict controls. Sinn Fein will have to furnish the House accounting officer with a certificate from an independent auditor to the effect that the expenses claimed are within the terms of the resolution—[Laughter.] I am sorry that hon. Members take that view because the same control system applies to Short money and the same maximum amount is payable as under that scheme.

Under the motion, financial assistance would be made available for activities related to those that would normally attract Short money. Short money, as the House will be aware, is payable for research associated with Front-Bench duties, developing and communicating alternative policies and shadowing the Government. Financial assistance would be available for related activities conducted by Sinn Fein, such as the employment of a researcher to assist the representative business of a spokesman, and the costs of relevant equipment and travel costs for spokesmen engaged in representative business.

**Andrew Mackinlay (Thurrock) (Lab):** Will my right hon. Friend give way? **Mr. Hoon:** In a second.

Crucially, certain activities will specifically not attract financial assistance. Those include political campaigning and fundraising, membership campaigns, advertising, personal or private business and constituency business.

In response to a challenge from Mark Durkan about the possible use made of the new allowance, Mr Hoon went on to make a distinction between the restoration of allowances and the new form of funding:

<sup>88</sup> HC Deb 27 June 2005 c1336W

<sup>&</sup>lt;sup>89</sup> HC Deb 8 February 2006 c 906

Mark Durkan (Foyle) (SDLP): Is the Leader of the House aware that several comments have been made in the past about various Sinn Fein returns to the Electoral Commission? Those excellent works of fiction have gone completely unchallenged despite the known facts about Sinn Fein's election expenditure, so it is hard to take seriously his assurances about scrutiny. Does the Leader of the House realise that he is talking in riddles by saying that the money is not Short money and then that it is—that it is the same and is not the same? Is it not the case that I will be unable to spend Short money on activities in my constituency, but that Sinn Fein will be able to spend its representation money on activities in my constituency against me?

**Mr. Hoon:** That is not the position. We must draw a clear distinction between the two motions. One deals with the restoration of parliamentary allowances, which clearly would allow right hon. and hon. Members to spend the allowances in their constituencies in support of their activities as individual Members of Parliament, as against money that would be, and is, available to political parties to support their representative activities. That is why the motion is drafted in the way it is. <sup>90</sup>

For the Opposition, Teresa May argued that the motions were relevant to the role of an MP, not to the Northern Ireland peace process:

The issue before us is not about the Northern Ireland peace process or about the resumption of the Assembly; it is about the role of Members of Parliament, what it means to sit in the House and the nature of the job of being an elected representative of this place. It is primarily on that basis that we oppose the action that the Government are seeking to take and will be voting against the motions.<sup>91</sup>

Lembit Opik, Liberal Democrat spokesman, was prepared to support the motions, given the view of the IMC that financial penalties against SF should no longer be applied. However, he believed, with other Members, that guidance should be issued by the Leader of the House to ensure appropriate use was made of the new source of funding. He noted that his party, as with the other parties, had been given a free vote on the motions.

Later in the debate, Peter Hain, Secretary of State for Northern Ireland, examined the question of defining the terms 'parliamentary business' and 'representative business':

**Mr. Hain:** I shall leave that to the argument about the principle. I am seeking to deal with the detail. The application of the Short money model to Members who have not taken their seats is for representative purposes. The Short money resolution—this is an important point, and the House should take a bit of care over it—does not define parliamentary business any more than the motion defines representative business. Both phrases must be interpreted by the House authorities.

**Mr. Dodds**: It is a very wide definition.

**Mr. Hain:** Indeed, and we need to be careful. If a speech were made by a Front-Bench spokesman outside the House with the use of Short money-sponsored parliamentary research, I do not think there would be any objection. We are applying

<sup>91</sup> HC Deb c912

<sup>90</sup> HC Deb c909

<sup>&</sup>lt;sup>92</sup> HC Deb c923

<sup>&</sup>lt;sup>93</sup> HC Deb c 927

exactly the same model to those using the money for representative rather than parliamentary purposes.<sup>94</sup>

Both the DUP and UUP opposed both motions, expressing doubts about the potential use of the funds by SF.<sup>95</sup> The SDLP spokesman, Mark Durkan, said that his party was neutral on motions to impose or lift financial sanctions against SF, but opposed the new form of funding, proposing that it was time for a full review of the use of Short Money.<sup>96</sup> In his winding up speech, Peter Hain said that guidance was a matter for the House's accounting officer,, but that the Leader of the House would be happy to offer advice.<sup>97</sup> Douglas Hogg reiterated his argument of 2001 that the requirement to make a parliamentary oath should not be a pre-condition for taking a seat in the Commons, but opposed the new form of allowance.<sup>98</sup> A number of Labour Members, including Andrew Mackinlay, Frank Field and Gwyneth Dunwoody expressed concern about the implications of the new allowance for the role of an MP.

The motion for the new form of allowance was passed by 315 votes to 215. The motion restoring allowances to SF Members was passed by 329 votes to 178.

# Appendix 1 Allowances paid to Sinn Fein MPs 2001-2 to 2004-5 (financial years)

The amounts paid under the various categories of allowance to each of the Sinn Fein MPs are shown in Table 1.

Table 1 Allowances paid to Sinn Fein MPs

Member	Constituency	Additional Costs Allowance	London Supple- ment	IEP	Staff Costs	Members' Travel	Members' Staff Travel	Centrally Purchased Stationery	Provided Computer Equipment	Other Costs	Total
	•										
		2004/5									
Adams, Gerry	Belfast West	£18,755	£0	£19,004	£66,778	£9,285	£1,341	£447	£1,779	£0	£117,388
Doherty, Pat	West Tyrone	£19,478	£0	£15,191	£66,712	£11,519	£0	£0	£1,431	£0	£114,331
Gildernew, Michelle	Fermanagh & S Tyrone	£19,240	£0	£18,456	£71,205	£9,562	£678	£72	£1,700	£0	£120,913
McGuinness, Martin	Mid Ulster	£15,683	£0	£19,133	£66,649	£17,092	£0	£0	£1,294	£0	£119,850
										Total	£472,482
	_	2003/4									
Adams, Gerry	Belfast West	£18,268	£0	£18,798	£64,263	£5,653	£0	£554	£1,779	£0	£109,315
Doherty, Pat	West Tyrone	£18,320	£0	£18,797	£60,982	£3,344	£0	£1,190	£1,431	£0	£104,063
Gildernew, Michelle	Fermanagh & S Tyrone	£18,400	£0	£18,654	£67,738	£7,153	£1,193	£582	£1,700	£0	£115,421
McGuinness, Martin	Mid Ulster	£18,581	£0	£18,799	£64,272	£7,707	£0	£0	£1,294	£0	£110,653
										Total	£439,452
		2002/3									
Adams, Gerry	Belfast West	£9,505	£0	£15,171	£49,070	£1,808	£320	£141	£1,779	£0	£77,794
Doherty, Pat	West Tyrone	£18,065	£0	£18,234	£44,883	£8,176	£110	£0	£1,431	£0	£90,899
Gildernew, Michelle	Fermanagh & S Tyrone	£16,875	£0	£18,051	£59,932	£2,610	£858	£301	£1,700	£0	£100,327
McGuinness, Martin	Mid Ulster	£9,440	£0	£17,470	£40,730	£3,861	£110	£531	£1,294	£0	£73,435
,									_	Total	£342,455
		2001/2									
Adams, Gerry	Belfast West	£0	£0	£4,304	£6,895	£315	£208	£125	£0	£0	£11,846
Doherty, Pat	West Tyrone	£6.933	£0	£3.881	£6.895	£606	£0	£147	£0	£0	£18.461
Gildernew, Michelle	Fermanagh & S Tyrone	£3,674	£0	£4,499	£11,840	£315	£0	£568	£0	£0	£20,897
McGuinness, Martin	Mid Ulster	£0	£0	£4,499	£6,895	£315	£0	£0	£458	£0	£12,166
,				,	,				_	Total	£63,370

<sup>94</sup> HC Deb c927

<sup>95</sup> See for example Peter Robinson in c958

<sup>&</sup>lt;sup>96</sup> HC Deb c943

<sup>97</sup> HC Deb c966

<sup>&</sup>lt;sup>98</sup> HC Deb c954

## a. Definitions of expenditure headings

### Additional Costs Allowance (ACA)

This is paid to reimburse Members for necessary costs incurred when staying overnight away from their main home for the purpose of performing parliamentary duties.

## London Supplement

Inner London Members receive the London Supplement instead of the ACA. Outer London Members may choose between the ACA and the London Supplement.

#### Incidental Expenses Provision (IEP)

This is paid to meet the costs of accommodation for office or surgery use; equipment and supplies for office or surgery; work commissioned or other services; and certain travel and communications.

## Staffing Allowance

This is paid to enable Members to engage staff. The IEP can also be used to cover certain staff related costs. The Staffing Allowance varies according to the number of staff based in London. London Members automatically receive a higher figure.

#### Members' Travel

This column sets out the total cost of travel on parliamentary business within the UK plus certain European travel. The Members' travel column does not include travel on parliamentary delegation business or select committee visits.

#### Members' Staff Travel

Until December 2003 each Member was allowed a total of eighteen single journeys per calendar year between Westminster and the constituency, shared by all employees. This increased to 30 single journeys for the period 1 January 2004 to 30 March 2005 – 24 single journeys in a calendar year.

## Centrally Purchased Stationery

This is for the cost of stationery items ordered from a central supplier. This includes stationery with pre-paid postage for use in direct connection with a Member's parliamentary duties. The figures given for each Member for 2001-02 and 2002-03 do not include any postage costs.

#### Centrally Provided Computer Equipment

This column sets out the cost of equipment supplied on loan to each Member. The provision allows for up to one laptop, three desktop PCs, two CD rewriters and one or two printers, depending on the specification required. The costs show the asset value spread over a four-year period.

#### Other Costs

This column sets out costs incurred from central budgets, including the temporary secretarial allowance which pays for additional help when staff are absent due to sickness or maternity leave; central contributions to security costs for the office; exceptional needs support (from March 2004) which provides for short term additional help to Members whose constituencies have particular problems; ill-health retirement grant; and winding-up allowance payable to

defeated or retiring Members, or representatives of deceased Members, to reimburse of the cost of any work on Parliamentary business after the date on which they cease to be Members of Parliament.

Further details of these categories, the maximum amounts payable and allowances for other Members are available via the Parliament website at: <a href="http://194.128.65.30/allowances.htm">http://194.128.65.30/allowances.htm</a>