

# **NORTHERN IRELAND (MONITORING COMMISSION ETC.) ACT 2003**

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## **EXPLANATORY NOTES**

### **COMMENTARY ON SECTIONS**

#### ***Section 8: Reduction of financial assistance***

38. This section inserts new sections 51A, 51B and 51C into the 1998 Act. These new sections provide for the reduction in whole or part of the financial assistance payable to Assembly parties under the Financial Assistance for Political Parties Act (Northern Ireland) 2000 (“the 2000 Act”). Allowances are paid to parties under the terms of a scheme made by the Assembly Commission under section 2 of the 2000 Act, for the purpose of assisting members of the Assembly who are connected with such parties to perform their Assembly duties.

#### **New section 51A - Resolutions about reduction of financial assistance**

39. New section 51A(1) provides that if the Assembly resolves that for a specified period the whole or a specified part of any financial assistance payable under the 2000 Act to a particular political party shall not be payable, because either of the conditions set out at paragraph 1919 above is met, then the allowance shall be reduced accordingly. The period specified by the Assembly may not exceed 12 months (new section 51C(1)).
40. The Assembly may resolve to extend a period of reduced financial assistance which it has imposed under section 51A(1)(new section 51A(2)) or which the Secretary of State has imposed under section 51B(2)(new section 51A(3)). The amount by which a period is extended on any occasion may not exceed 12 months (new section 51C(2)).
41. The same procedural safeguards apply as in the case of an exclusion resolution (see paragraph 1515 above) (new section 51A(5) and (8)).

#### **New section 51B - Secretary of State’s powers in relation to the reduction of financial assistance.**

42. New section 51B(1) enables the Secretary of State to direct that for a specified period the whole or a specified part of any financial assistance payable under the 2000 Act to a particular political party shall not be payable because either of the conditions set out at paragraph 1919 above is met.
43. New section 51B(1) provides that the Secretary of State may only exercise his power to provide for the non-payability of financial assistance if :
- The Commission makes a report under the terms of the Treaty which contains a recommendation about the steps that the Assembly might consider taking; and
  - The taking of those steps requires the Assembly to pass a resolution under section 51A(1),(2) or (3); and

*These notes refer to the Northern Ireland (Monitoring Commission etc.) Act 2003 (c.25) which received Royal Assent on 18th September 2003*

- The first motion for a resolution to take those recommended steps does not attract cross-community support.
44. Provision is made for the Secretary of State, by direction, to impose a period of reduced financial assistance (new section 51B(2)) and to extend a period of reduced financial assistance that the Assembly has imposed under new section 51A(1) (new section 51B(3)) or that he has imposed under new section 51B(2) (new section 51B(4)). The exercise of these powers by the Secretary of State is subject to the same 12 months maximum time limit as applies when the Assembly reduces financial assistance (new section 51C).