

DELICATE SOURCE SECRET

January³⁴⁸ was a letter from the RUC enclosing material from the batch of documents disclosed by Holroyd to the Essex police on 21 November 1984. These comprised:-

- Extracts from a document entitled "Political and Security Implications regarding the disclosure of Security Classified Information to Assist in the Investigation of the Allegations Relating to Kincora Boys Hostel, Belfast". (This document was typographically different from that submitted by Mr Wallace to PS/Lord Trefgarne on 26 September 1985. A full version of the document was made available by the RUC to, but not retained by, the Inquiry).
- Two slightly different (one marked **SECRET**, the other **CONFIDENTIAL**) copies of the so called "TARA memorandum" allegedly of 8 November 1974.
- A document headed "the Kincora Inquiry - Summary of Events Relating to Requests for Information from John Colin Wallace, a Former Senior Information Officer at Army Headquarters in Northern Ireland and Captain in the Ulster Defence Regiment, by the Royal Ulster Constabulary".

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271(C). On 10 May 1985 Colonel Morgan (HQNI) wrote³⁴⁹ to Major General Garrett saying that HQNI had been asked to issue a document to Mr Wallace, in broader terms than the earlier immunity (see paragraph 188), authorising him to disclose matters relating to the Kincora Boys' Home to members of the Hughes Committee. HQNI felt that he should be given no wider immunity than previously. This line was supported in MOD³⁵⁰, Mr [REDACTED] (DD Syl(Army)) adding that the evidence should be taken in camera and that MOD should be consulted before publication of any of his evidence. Mrs [REDACTED] (PL(LS)Legal) pointed out that only the DPP could grant immunity from prosecution under the Official Secrets Acts.

272(U). Mr Wallace has stated³⁵¹ that the Secretary to the Hughes Committee wrote to his solicitors on 3 May 1985, saying:-

"The Committee is not therefore required or empowered to inquire into the performance of the police, military intelligence or any other body or person which had or has no statutory and/or management responsibility for childrens' homes and hostels".

MOD does not appear to have been aware of this letter.

349. letter from HQNI to DSy(Army) reference ACOS 1/4/15 dated 10 May 1985 (MOD File D/GS Sec/66/13/1 Part B, Enclosure 25).

350. Loose minute from DDSyl(Army) to GS Sec 2 reference CPS/0/18371 Part II dated 14 June 1985 (MOD File D/GS Sec 66/13/1 Part B, Enclosure 30); loose minute from PL(LS)Legal to GS Sec 2 dated 11 June 1985 (MOD File D/GS Sec/66/13/1 Part B, Enclosure 29).

351. Letter from Mr Wallace to Mr Morgan-Harris dated 16 November 1983 (MOD File D/GS Sec 66/13/1 Part B, attachment to Enclosure 76).

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273(U). While the immunity points were being considered, further stories about Kincora and Mr Wallace were appearing in the media. On 31 May Mr [REDACTED] (Civil Adviser HQNI) wrote³⁵² to Mr Mainwood (who had taken Mr Pitt-Brooke's place in GS Sec), drawing attention to a forthcoming article in the Irish Times about Army "black propaganda" and involvement in the Kincora scandal, based on a classified document³⁵³ allegedly signed by Mr Wallace in 1974. The document was among those sent by Mr Holroyd to the Essex Police and No 10 and was being investigated by the RUC. Mr Holroyd had announced that he no longer considered himself bound by the provisions of the Official Secrets Acts.

274(U). A series of articles appeared in the Irish Times in the week beginning 24 June. Mr Wallace wrote³⁵⁴ again to the Prime Minister on 9 July, claiming that these reports confirmed that knowledge of homosexual abuses involving the staff and inmates of Kincora during the 1970s was widely known within the RUC and Intelligence services; and that the extensive cover-up concerning the scandal must have been condoned at a top political level. He drew attention to the Irish Times report that a well-known Belfast evangelical figure had been

352. Letter from Civil Adviser HQNI to GS Sec reference CIVAD/3 dated 31 May 1985 (MOD File D/GS Sec/66/13/1 Part B, Enclosure 27).

353. This document is reproduced at ANNEX G.

354. Letter from Mr Wallace to the Prime Minister dated 9 July 1985 (MDO File D/GS Sec/66/13/1 Part B, attachment to Enclosure 44).

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repeatedly questioned by military intelligence officers during 1974 and 1975 about McGrath, TARA, the young unionists, the DUP and (on one occasion) Kincora. The Irish Times had also said that:-

"According to another source, documentary evidence existed at British Army headquarters between 1973 and 1976 proving that there was a subsequent investigation between 1973 and 1976 into McGrath, TARA and Kincora by intelligence officers. This established that there had been sexual assaults on the boys at the home and that leading loyalist figures who were close to McGrath knew of his homosexuality, and his job at Kincora where he worked as a housefather The sources, who had knowledge of many top secret intelligence and psychological operations mounted from British Army Headquarters, have no current connections with Wallace. They told the Irish Times that there was an intensive investigation of TARA and McGrath in the early and mid 1970s by military and political intelligence agencies which revealed information about sexual assaults at Kincora Another military source, a high-ranking officer based at British Army Headquarters during this period, has confirmed that the Information Policy Unit was asked by military commanders in 1974 to investigate homosexual offences by members of TARA MI5's involvement in 'Clockwork Orange' has been confirmed by two sources, one of whom saw documents establishing this. According to one of these sources the operation was mounted around two weeks before the start of the UWC strike in May 1974, when official government opinion was that it would not succeed Other RUC sources have told the Irish Times that an RUC background paper on TARA was indeed prepared by detectives in 1973/74, about a year before the Information Policy Unit document was allegedly written. The sources say that the description of this background paper in the document is generally accurate³⁵⁵"

355. This material was clearly based on the document "Political and security implications relating to ... Kincora" reproduced at ANNEX E. It is idle to speculate who the various "sources" might have been: among possible candidates are Mr Wallace, Mrs Wallace, Mr Holroyd and journalists allegedly given relevant information by Mr Wallace at the relevant period. The "Information Policy Unit document" is almost certainly the document reproduced at ANNEX G which Mr Wallace claims to have written on 8 November 1974 and which ended by recommending various courses of action to expose what was going on at Kincora. This document, which may be a forgery (see Part X of this paper) was clearly also leaked to other newspapers, as stories referring to it directly appeared in the Financial Times of 25 June

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275(U). Mr Wallace went on³⁵⁶ to argue that the Irish Times reports had discredited the Terry investigations and to say:-

"In the light of this new information, I must now regretfully decline to have anything further to do with the Committee of Inquiry or other investigations by official sources, and I will now try to set out some of my reasons for doing so".

His reasons were his dissatisfaction with the handling of his own and Mr Holroyd's cases and the Prime Minister's failure to send his file of documents to the RUC or the Hughes Committee. On 14 August 1985 No 10 asked³⁵⁷ MOD to send a suitable reply to Mr Wallace's letter of 9 July.

Immunity for Mr Wallace to give evidence to the Hughes Committee

276(U). Meanwhile, the Hughes Committee had been concerned about MOD's delay in providing Mr Wallace with the immunity that he needed to give his evidence³⁵⁸. On 16 July 1985, following consideration of

(Footnote 355 continued from previous page) and in the Guardian of 26 June 1985. The Guardian also referred to a "detailed file on an MI5 dirty tricks campaign in Northern Ireland in the mid 1970s" having been sent to the Prime Minister.

356. Letter from Mr Wallace to the Prime Minister dated 9 July 1985 (see Note 354).

357. Letter from No 10 to Mr [REDACTED] (APS/SofS, MOD) dated 14 August 1985 (MOD File D/GS Sec/66/13/1 Part B, attachment to Enclosure 44).

358. Letter from Hughes Inquiry Secretary to MOD reference CHH 339/85 dated 5 July 1985 (MOD File D/GS Sec 6/13/1 Part B Enclosure 39/1).

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all the issues involved, Major General Garrett wrote³⁵⁹ to Mr Wallace giving him an assurance that he could give information to the Hughes Committee, in terms very similar to those of his earlier assurance in connection with the Terry investigations:-

"Under the terms of the Official Secrets Act Declaration which you signed when you resigned your appointment with MOD, you undertook to seek authorisation from this Department before discussing with anyone information gained in the course of your employment. I understand that you wish to present evidence to the Committee of Inquiry into Children's Homes and Hostels, chaired by His Honour W H HUGHES, which has been appointed by the Department of Health and Social Services for Northern Ireland. The purpose of this letter is to confirm that you may disclose to members of the Committee any information that is in your possession which is directly relevant to the investigation - including, where necessary, information which you gained in the course of your employment with MOD and which may be security classified. You will, of course, appreciate that your responsibilities for safeguarding information not related to the Inquiry remain unchanged and you must therefore only divulge information which falls within the scope of the Committee's terms of reference, a copy of which is attached".

One difficulty was that the Hughes Committee's Terms of Reference did not provide specifically for them to examine allegations of a cover-up by the security forces, although Mr Prior's reply to Mr Smyth (see paragraph 251) certainly implied that they could do so.

277(U). On the next day Mr Mainwood (then the Principal in GS Sec) wrote³⁶⁰ to Mr Quinn, enclosing a copy of Major General Garrett's letter and saying that the Committee should seek immunity under the

359. Letter from DSy(Army) to Mr Wallace reference D/DSy(A)/CPS(O)/18371 dated 16 July 1985 (MOD Security File CPS/0/18371, Part II, Enclosure 86).

360. Letter from GS Sec 2 to Hughes Inquiry Secretary reference D/GS Sec/66/13/1 dated 17 July 1985 (D/GS Sec/66/13/1 Part B, Enclosure 41).

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Official Secrets Acts from the appropriate Law Officer. He also asked that MOD should be consulted about Mr Wallace's evidence. On 22 July 1985 Mr Quinn replied³⁶¹, accepting this.

278(U). It would seem (from a later letter of Mr Wallace's dated 16 November, forwarded³⁶² by Mr Marshall to Lord Trefgarne on 28 November) that on 6 August 1985 Mr Quinn wrote as follows to Mr Wallace (the letter must in fact have been to his solicitor):-

"The Committee has been informed that the file of papers submitted to the Prime Minister on 1 November 1984 was returned to Mr Frederick Holroyd on 21 November. In conveying this information the Northern Ireland Office suggested that the Committee should approach your client with a view to obtaining the papers and I request accordingly".

This letter does not seem to have been copied to MOD.

279(U). On 30 July 1985 Major General Garrett wrote again to Mr Wallace, noting that he had told the Prime Minister on 9 July that he was unwilling to give evidence to the Hughes Committee. On 14 August Mr Wallace replied³⁶³ to Major General Garrett's letter of 16 July, which Mr Wallace had received on 13 August. He said that he was

361. Letter from Hughes Inquiry Secretary to GS Sec 2 reference CHH 356/85 dated 22 July 1985 (MOD File D/GS Sec/66/13/1 Part B, Enclosure 42).

362. Letter from Mr Marshall to Lord Trefgarne dated 28 November 1985, with enclosures, (MOD File D/GS Sec/66/13/1 Part B, Enclosure 74/1).

363. Letter from DSy(Army) to Mr Wallace dated 30 July 1985 (MOD Security File CPS/0/18371 Part II, Enclosure 91); letter from Mr Wallace to DSy(Army) dated 14 August 1985 (MOD File D/GS Sec/66/13/1, Part B attachment to Enclosure 44).

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prepared to assist the Hughes Committee, provided there was a clear indication from the relevant authorities that they genuinely wanted to establish the truth of the matter and that they were prepared to make the necessary arrangements for him to do so. So far no such indication had been forthcoming. He went on:-

".... Various claims have been made that the Army was party to the cover-up of the homosexual assaults that took place at Kincora. That, as you know from your tour of duty as Chief of Staff at HQNI, is quite untrue. Indeed, in 1973 and again in 1974, I was instructed by senior staff at HQNI to 'encourage' the press to investigate Kincora. I think you will agree that such action is not consistent with allegations of a cover-up. I believe it is important, therefore, that the Army's role in the affair be made absolutely clear. The affair was, of course, strictly a police matter, and it is equally clear that although various members of the RUC were aware of what had been happening, no action was taken Finally, there is also the role of the Security Service in the matter, and it is that aspect of the overall events plus the lack of action by the police that is, in my opinion, fundamental to any investigation".

Mr Wallace concluded his letter by saying that, Kincora aside, he had three personal objectives. These were to obtain a proper investigation of all the matters referred to in his file of documents; to prove that various alleged unconstitutional and (at times) illegal activities by the Security Service and others took place and were not simply figments of his imagination; and to ensure that effective steps were taken to prevent similar activities from happening again.

280(U). Meanwhile, as already noted (see paragraph 265), on 12

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August Mr Wallace had written³⁶⁴ once more to the Prime Minister, following a request from the Hughes Committee to make his file of documents available to them. He argued that it was untrue that the Government had returned the only copy of this file to Captain Holroyd. He then went on to say that he was precluded by Major General Garrett's letter of 16 July (see paragraph 276) from sending his file to the Hughes Committee; and he again asked that the Prime Minister should do so. Mr Routh (Private Secretary to Lord Trefgarne, Minister of State for Defence Support) wrote³⁶⁵ to Mr Wallace on 11 September, acknowledging his letters of 9 July and 12 August to the Prime Minister and saying that other Government Departments were being consulted about them.

281(U). On 29 August 1985 Mr Quinn wrote³⁶⁶ to Mr Wallace's solicitor saying that the Hughes Committee did not accept that Mr Wallace was not in a position to divulge information to it. Unless Mr Wallace indicated by 13 September an unconditional willingness to be interviewed by the Committee's staff on the basis of the existing authorisation and assurances, it would be deemed that he was not prepared to assist the Hughes Inquiry. Having received a long

364. Letter from Mr Wallace to the Prime Minister dated 12 August 1985 (MOD File D/GS Sec/66/13/1 Part B, Enclosure 44/1).

365. Letter from PS/Minister(DS) to Mr Wallace dated 11 September 1985 (MOD File D/GS Sec/66/13/1 Part B, Enclosure 46/1).

366. Letter from Hughes Inquiry Secretary to Thos Eggar and Son reference CHH 388/85 dated 29 August 1985 (MOD File D/GS Sec/66/13/1 Part B, Enclosure 43/1).

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letter³⁶⁷ from Mr Wallace, his solicitor told³⁶⁸ Mr Quinn that if the papers at present with the Prime Minister were made available to the Inquiry by her, that would give Mr Wallace the authority he needed to make his evidence available.

New Problems over Mr Wallace's File of Documents

282(U). On 27 September Mr Quinn wrote³⁶⁹ to Mr [Redacted] (NIO) about the file submitted to the Prime Minister on 1 November 1984. He said that he had compared that file's index with the papers submitted to the Essex Police; and he had established that the Committee had already seen some, but not all, of the papers included in the file. Although it seemed most unlikely that the papers which they had not seen were of any relevance to the Inquiry, Mr Quinn asked if he and the Inquiry Solicitor could have access to the papers which the Government had retained or copied³⁷⁰.

367. Letter from Mr Wallace to Mr Morgan-Harris dated 6 September 1985 (MOD File D/GS Sec//66/13/1, Part B, Enclosure 45).

368. Letter from Thomas Eggar and Son to Hughes Inquiry Secretary reference 19/R 13218 dated 9 September 1985 (MOD File D/GS Sec/66/13/1 Part B, Enclosure 46).

369. Letter from Hughes Inquiry Secretary to NIO reference CHH 430/85 dated 27 September 1985 (MOD File D/GS Sec/66/13/1 Part B, Enclosure 47)

370. It would seem that Mr Quinn was mistaken in saying that he had seen the index of the file sent to the Prime Minister, since no documents from that file had been sent either to the Hughes Committee or to the NIO. What he must have seen was the index to the file handed to the Essex Police, which he had then compared with individual documents from that file passed to the Hughes Committee by the RUC.

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283(U). After an exchange of correspondence it was arranged³⁷¹ that Mr Quinn and the Inquiry solicitor should see these documents on 8 October. Mr Mainwood passed³⁷² to the NIO³⁷³:-

- (a) Mr Wallace's letter of January 1985 to the Chief Constable of Sussex, and the Chief Prosecuting Solicitor's reply of 30 January 1985.
- (b) Mr Wallace's letter of 26 September 1985 to PS/Lord Trefgarne, enclosing a version of "Political and Security Implications" typographically different from that obtained from the Essex police;
- (c) A copy of Mr Peter Broderick's Statement to CSAB;
- (d) A document headed "extracts from annual Confidential reports John Colin Wallace";
- (e) Mr Wallace's letter of 6 September 1985 to Mr Morgan-Harris and the latter's cover note of 9 September 1985 to the Inquiry;
- (f) A letter of 16 August 1985, apparently from Mr Wallace
- (g) Copies of a three-part "New Statesman" series by Duncan Campbell entitled "Dirty War";
- (h) A "New Statesman" article of 14 December 1984, also by Duncan Campbell; and
- (i) A 9-page document relaying the story of [REDACTED]
[REDACTED]³⁷⁴

371. Unreferenced letter from Mr [REDACTED] (NIO) to Hughes Inquiry Secretary dated 3 October 1985 (MOD File D/GS Sec/66/13/1 Part B, Enclosure 49).

372. Letter from GS Sec 2 to Mr [REDACTED] (NIO) reference D/GS Sec/66/13/1 dated 4 October 1985 (MOD File D/GS Sec /66/13/1 Part B, Enclosure 50).

373. See also the letter from the Hughes Inquiry Secretary to Mr [REDACTED] (NIO) reference CHH/437/8 dated 11 October 1985 (MOD File D/GS Sec/66/13/1 Part B, Enclosure 52/1).

374. This appears to have been a further error. It appears likely that these documents had not in fact been retained by MOD in November 1984, but had been attached to a letter Mr Wallace had written to Mr Marshall about his manslaughter conviction on 1 February 1985: Mr Marshall had then written to the Home Secretary on 11 February and the Home Office had

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284(U). The last three documents formed an apparently distinct bundle marked (in a hand dissimilar to that of any of the then members of the relevant NIO branch of SIL) "Extracts from the 'File' sent by Mr Wallace to the Prime Minister on 1 November 1984". It was these last three documents (g-i above) which were inspected by the Secretary and Solicitor to the Inquiry on 8 October 1985 as the only documents known to be retained from the 1 November 1984 file; the Inquiry was quick to spot that the New Statesman article of 14 December 1984 could not have been sent to the Prime Minister on 1 November³⁷⁵. Mr Quinn asked to be reassured that the Hughes Committee had seen all the 1 November 1984 papers which the Government had retained.

285(U). On 18 October Mr Mainwood told³⁷⁶ Mr [Redacted] (NIO) that it was impossible to be unequivocal about what was and was not retained. He confirmed that neither NIO nor any of the MOD Private Offices had kept copies of the file and asked NIO to check that they had never received one.

286(U). Meanwhile both Mr Wallace and his solicitor had referred all

(Footnote 374 continued from previous page)
copied all the papers to MOD, with a copy of
Mr Mellor's reply of 13 March (MOD File D/GS Sec
66/13/1 Part B, Enclosure 19).

375. See NIO File 879J, Enclosure 54.

376. Letter from GS Sec 2 to NIO reference D/GS Sec/66/13/1
dated 18 October 1985 (MOD File D/GS Sec/66/13/1 Part B,
Enclosure 55).

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the relevant correspondence to Mr Marshall, who had again written³⁷⁷ to the Prime Minister asking that she should release the file of documents to the Hughes Committee. This correspondence was referred to MOD for advice.

287(U). On 26 September 1985 Mr Wallace wrote³⁷⁸ to Mr Routh (Private Secretary to Lord Trefgarne), rehearsing his allegations once again and asking for them to be investigated. He attached a series of past papers, including the document headed "Political and security implications relating to Kincora" (ANNEX E). This document was thus once more in the possession of the Government.

288(U). Consideration was then given to whether the "Political and security implications" document should be shown to the Hughes Committee³⁷⁹. (C) The Security Service thought³⁸⁰ that it should not be shown to them, but that view was not upheld. (U) On 30 October

377. Letter from Mr Wallace to Mr Marshall dated 12 September 1985, letter from Mr Morgan-Harris to Mr Marshall dated 9 September 1985 and letter from Mr Marshall to the Prime Minister dated 18 September 1985 (MOD File D/GS Sec/66/13/1 Part B, attachment to Enclosure 55).

378. Letter from Mr Wallace to PS/Minister(DS) dated 26 September 1985 (MOD File D/GS Sec/66/13/1 Part B, attachment to Enclosure 65).

379. It was obviously not appreciated that the Hughes Committee had already seen this document, via the Essex Police and the RUC.

380. Letter from **D-MI5 Officer** (Security Service) to Mr **MoD** (Sy(Army)) reference **E-File Reference** dated 28 October 1985 (MOD File D/GS Sec/66/13/1 Part B, Enclosure 58/1).

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Mr Hatfield (who had replaced Mr Mainwood in GS Sec) told³⁸¹ the NIO that the document, which he said contained serious inaccuracies, could be shown to the Committee. It is understood from the NIO, however, that this was not in fact done. Instead the NIO replied on 31 October³⁸², pointing out that it was difficult to identify papers retained from the 1 November 1984 file, and to separate them from papers already on file. They added:-

"There is one further document, ostensibly dated March 1982, which Mr Wallace sent to the Ministry of Defence. We have now been able to establish that it was part of the 1984 "file" although inadvertently only the first page was copied at the time. I should perhaps add that the document contains a number of serious inaccuracies and that it has very limited relevance indeed to the committee's work. I understand, however, that you have already seen it by a different route".

The "different route" referred to was no doubt via the Essex Police, who had provided a typographically different document, but one more or less identical in substance.

289(U). On 8 November 1985 Mr Routh replied³⁸³ to Mr Wallace's letters of 9 July and 12 August to the Prime Minister, his letter of 26 September to Lord Trefgarne and a further letter³⁸⁴ of 21 October to

381.Letter from GS Sec 2 to Mr [Redacted] (NIO) reference D/GS Sec/66/13/1 dated 30 October 1985 (MOD File D/GS Sec/66/13/1 Part B, Enclosure 62).

382.NIO File 879J, Enclosure 59a.

383.Letter from PS/Minister(DS) to Mr Wallace reference D/USofs(AF)DGT 6679 dated 8 November 1985 (MOD File D/GS Sec/66/13/1 Part B, Enclosure 68).

384.Letter from Mr Wallace to the Prime Minister dated 21 October 1985 (MOD File D/GS Sec/66/13/1 Part B, attachment to Enclosure 66).

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the Prime Minister (about his conviction of manslaughter). He said:-

".... I should correct your apparent misapprehension that the government wished to withhold from the Inquiry the file of papers which Mr Holroyd forwarded to the Prime Minister in November 1984. The return of the papers to Mr Holroyd after they had been studied was simply a normal courtesy and should not be taken as indicating in any way that the Government wished them to be withheld. Indeed, as you have so far been unwilling to make the file available, the government has, at the committee's request given the committee access to all the papers from the file of which it retained copies, although no copies were made of papers which were not considered to be of long term significance. The papers which have been made available to the inquiry include the document entitled ["Political and Security Implications relating to Kincora"], a copy of which was enclosed with your letter of 26 September and to which you attached great significance. I should also add that I understand that the Committee have a copy of the index to the file which has enabled them to establish that they have already seen certain of the papers which were also included among those originally submitted to the Essex police and that it is unlikely that the remaining papers would be of relevance to their work. Nevertheless, I repeat that the government has never wished to prevent you from presenting any relevant evidence to the Committee and, indeed, has given you³⁸⁵ a number of assurances that you sought in order to do so....".

Lord Trefgarne wrote similarly to Mr Marshall on 25 October and Major General Garrett also wrote similarly to Mr Wallace on 31 October³⁸⁶.

385. It should be noted that this letter contained some inaccuracies. No copies were kept of documents on the file sent to the Prime Minister. The document headed "Political and security implications relating to Kincora" was not shown to the Hughes Committee, as it was understood that they had already got a copy from the Essex Police. And the index was to the Essex Police file, not the file sent to the Prime Minister.

386. Letter from DSy(Army) to Mr Wallace dated 31 October 1985 (MOD Security File CPS/0/18371 Part II, Enclosure 102). Letter from Lord Trefgarne to Mr Marshall reference D/Min(DS) DGT 0192 dated 25 October 1985 (MOD File entitled "Correspondence from Wallace", Enclosure 19).

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290(U). On 13 November 1985 Mr Marshall wrote to Lord Trefgarne enclosing further letters from Mr Wallace and his solicitor. The latter expressed concern that the indemnity against prosecution which Mr Wallace had been offered concerned Northern Ireland only. On 10 December Lord Trefgarne replied, expressing surprise at this claim. He said that no such geographical limitation had ever been placed on the assurances, although it was true that they applied only to information relevant to the Kincora case. Lord Trefgarne added that the Government had made available to the Inquiry copies of those papers from Mr Wallace's file of documents which it still had; but that, although it believed these to be all the papers of significance on the file, the only way to be sure that the Inquiry had seen all the papers on the file would have been for Mr Wallace to make his own copy available, which he had consistently refused to do despite all the assurances that he had been given³⁸⁷.

291(U). On 27 November Mr [Redacted] (NIO) pointed out that the Committee hoped that they had nearly finished their investigations. Mr Wallace had all but missed the boat in presenting his file to them. On 13 December Mr Mercer, representing the Hughes Committee, went to see Mr Wallace in prison. As Mr Wallace has recorded in his letter of the

387. See letter from Mr Marshall to Lord Trefgarne dated 13 November 1985, with which were enclosed letters from Mr Wallace and his solicitor to Mr Marshall dated 5 and 7 November 1985; and letter from Lord Trefgarne to Mr Marshall reference D/Min(DS)DGT 0192 dated 10 December 1985; (MOD File D/GS Sec/66/13/1 Part B, Enclosures 71/1 and 74/2). Lord Trefgarne's remarks about the validity of Mr Wallace's indemnity in Great Britain would have been correct if the Hughes Committee had obtained the indemnity from the Attorney-General, but not if they had obtained it only from DPP(NI) - see paragraph 157 of this paper.

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same day to his solicitor, which he attached to a letter of the same date³⁸⁸ to the Prime Minister, the interview was not a success. It had been arranged at short notice and Mr Wallace's solicitor had been present. Mr Mercer (Mr Wallace said) had not wanted a statement but only the answers to some particular questions. Moreover the copy of "Political and security implications relating to Kincora", which Mr Mercer brought with him proved not to be the same as the version of that document which Mr Wallace had sent to the Prime Minister! Mr Wallace, therefore, refused to answer Mr Mercer's questions.

292(U). In a strict sense Mr Wallace spoke the truth: the Inquiry's Solicitor had produced a copy of the "Political and Security Implications" document provided by the Essex police, not one provided by HMG. (The separate copy of "Political and Security Implications" document sent by Mr Wallace to Lord Trefgarne on 26 September 1985 was not seen by the Secretary to the Inquiry until August 1989, officials having evidently proceeded on the assumption that two documents with the same title were identical; this proved to be a fair assumption as regards the substance, but was not true in terms of the appearance of the two documents). The account given by Mr Foot's book is radically different³⁸⁹. There, it is implied that Mr Wallace's concern was over the purported memorandum of 8 November

388. Letter from NIO to GS Sec 2 dated 27 November 1985 (MOD File D/GS Sec/66/13/1 Part B, Enclosure 71). Letters from Mr Wallace to the Prime Minister and Mr Morgan-Harris dated 13 December 1985 (MOD File D/GS Sec/66/13/1 Part B, attachments to Enclosure 76).

389. "Who Framed Colin Wallace", pages 231-2.

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1974, which Mr Wallace claimed that he had sent to the Prime Minister (although it is doubtful whether he did so); and that the Inquiry's failure to produce this was crucial to his decision not to cooperate.

293(U). Mr Wallace did, however, record in his letters what his answers to Mr Mercer's questions would have been. He said that:-

(a) He was contacted in 1972 by a person who claimed to be a 'social worker' and who provided him with information about Kincora;

(b) He made a telephone call from London to the Welfare Authorities in Belfast (about Kincora) in 1975; and

(c) The 'Clockwork Orange' material contained allegations that children were taken to meet with clients in Bangor, County Down.

294(U). Correspondence continued; and, following a letter³⁹⁰ from Mr Holroyd of 6 January, Mr Hatfield organised³⁹¹ one more search for the file - with no success.

390. Letter from Mr Holroyd to Lord Trefgarne dated 6 January 1986 (MOD File D/GS Sec/66/13/1 Part B, attachment to Enclosure 79).

391. Letter from GS Sec 2 to Mr [Protection of Ident] (NIO) reference D/GS Sec/66/13/1 dated 24 January 1986 (MOD File D/GS Sec/66/13/1 Part B, Enclosure 79).

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Publication of Hughes Report

295(U). The report by the Hughes Inquiry was published³⁹² on 4 February 1986. The written Parliamentary reply noted that the inquiry had been held in public "for the most part": that 66 individuals gave oral evidence; that written evidence was received from 26: and that on 10 days the Committee had taken evidence in private. The Government welcomed the report as a "full and objective" analysis of events. The Secretary of State went on to add:-

"I am confident that close study of the Report will reassure the public the various complaints and allegations which circulated regarding abuse on the child system have been investigated, and that a door has been closed on the past".

296(U). Paragraphs 4.70-4.87 of the Hughes Report referred to Mr Wallace and are reproduced at ANNEX I to this paper. Paragraph 4.87 read as follows:-

"Since Mr Wallace declined to be interviewed by the RUC or to answer our questions, he has never authenticated or repudiated the papers which we have seen. They have therefore no probative value to this Inquiry. Even if Mr Wallace was prepared to authenticate them, they would in themselves be of very limited use to the Inquiry since they consist of bald or generalised allegations without supporting detail or confirmation. It would have required his testimony to remedy this and that was not forthcoming".

392. "Report of the Committee of Inquiry into Children's Homes and Hostels", HMSO, Belfast, 1986.

DELICATE SOURCE SECRETLoss of Mr Wallace's File by Mr Taylor

297(U). On 14 April 1986 Mr Wallace³⁹³ wrote to the Prime Minister saying that he had been informed unofficially that some weeks previously his file of documents had been stolen from the House of Commons office of Mr Teddy Taylor MP, (to whom Mr Holroyd had sent it). Mr Wallace said that it was obvious that the burglary must have been an "inside job" and suggested that the Security Service must have been responsible for it. On 9 May Mr Routh replied³⁹⁴ saying that the Prime Minister had not been aware that the file had disappeared and refuting any suggestion that the Government was in any way responsible for its disappearance. If Mr Taylor had reason to believe that the file had been stolen, the police would have been informed and would investigate. On 21 May Mr Wallace reported³⁹⁵ that the file had been returned to Mr Taylor; and he again asked how it went missing and who had returned it. On 25 June Mr Hatfield told³⁹⁶ Mr Wallace that he was glad to note that the file had been accounted for safely. No papers have been found on MOD files which would

393. Letter from Mr Wallace to the Prime Minister dated 14 April 1986 (MOD File D/GS Sec/66/13/1 Part C, Enclosure 1).

394. Letter from PS/Minister for Defence Support to Mr Wallace reference D/Min(DS)DGT/26/2/2 dated 9 May 1986 (MOD File D/GS Sec/66/13/1 Part C, Enclosure 3).

395. Letter from Mr Wallace to Lord Trefgarne dated 21 May 1986 (MOD File D/GS Sec/66/13/1 Part C, attachment to Enclosure 8).

396. Letter from GS Sec 2 to Mr Wallace reference D/GS Sec/66/13/1 dated 25 June 1986 (MOD File D/GS Sec/66/13/1 Part C, Enclosure 9).

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account for this incident: (C) it is possible, of course, that Mr Taylor himself could shed some further light on it.

Comment

298(U). There does seem to have been some genuine confusion over the scope of the Terry and of the Hughes Inquiries; and in particular on whether either of them, or the supporting RUC investigations for the Terry Inquiry, were examining the allegations of a cover-up by the military intelligence staffs and the NIO **E-Staff Designation**. This confusion added considerably to the problems over Mr Wallace's evidence.

299(U). The events concerning Mr Wallace described in this part of this paper can nevertheless appropriately be described as farcical. Once again, a major contributing factor appears to have been that the question of Mr Wallace's immunity to give evidence was dealt with in lengthy and protracted correspondence rather than by sending an Army Security representative to discuss the problem with Mr Wallace, his solicitor and representatives of the Hughes Committee. Mr Wallace's habit of writing simultaneously to the Prime Minister, his MP, his solicitor, Major General Garrett and others, sometimes all at the same time and covering the same ground at enormous length, did not add to clarity. A further problem was that letters addressed to Mr Wallace in prison sometimes took quite a long time to reach him, so that he was sometimes responding to the last letter but one. Even so, it is hard to believe that Mr Wallace could not have given his evidence on Kincora, if he had been prepared to do so without getting

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drawn into his own case, "Clockwork Orange" and his many other allegations.

300(C). Mr Wallace did, however, have a point about whether the Hughes Inquiry was concerned with the question of a cover-up of Kincora by Army or Intelligence staffs: he should, however, have been prepared to disclose any information which he had that was relevant to the actions of the Social Services staffs. It would also have been better if Mr Wallace's earlier question about disclosing the names of SIS and Security Service officers could have been answered directly. Moreover, it must be acknowledged that, as Mr Wallace pointed out, there was an apparent inconsistency between the Government's willingness to allow Mr Wallace's file of documents to be made available to the Hughes Committee and its unwillingness to allow Mr Wallace to disclose classified information on matters unrelated to Kincora. It would seem that the Hughes Committee had received the papers, via the Essex Police and the RUC, without any considered Government decision that they should have access to them. No doubt this was regarded at the time as a fait accompli, not least because of the media speculation in the Spring of 1985. But nevertheless there had been a striking shift of emphasis in the Government's position since the views of Sir Frank Cooper recorded in paragraph 185 of this paper. The significance of this shift may not have been fully appreciated and some confusion may have followed as a result. Be that as it may, it is hard it is hard to see why this should have stopped Mr Wallace from giving evidence that was related to Kincora, if he had really wanted to do so. His insistence that the Government must make his file available to the Hughes Inquiry,

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and that it was not good enough for the Government to have given him permission to do so, is hard to understand. It is equally hard to accept his later allegation that he was never directly authorised to give the file to the Hughes Committee. He had himself said (see paragraph 278) that Mr Quinn had written to his solicitor on 6 August 1985 saying that NIO had suggested that the Committee obtain the papers from him. And Lord Trefgarne's letter of 10 December 1985 (see paragraph 290) must surely have removed any doubt.

301(U). The Government's loss of Mr Wallace's file was a great misfortune; as was the endless subsequent confusion over the "Political and security implications relating to Kincora" document. Mr Wallace is convinced that these events demonstrated a Government conspiracy against him. Anyone who has worked in a Government Department for more than a decade or two will know that administrative muddle is a far more likely explanation. It is particularly unfortunate that Lord Trefgarne and Mr Routh should have said (see paragraph 289) that the Government had given the Hughes Committee "access to the papers from the file of which it had retained copies, although no copies were made of papers which were not considered to be of long term significance" - a statement which has tended to be repeated in later correspondence. The Government had retained no copies of any of the papers on the file (apart from the first pages of two of them); and, as it had no index to the file, it did not know what papers on it might have been of long term significance. The papers which were shown to the Hughes Committee were attachments to subsequent letters from Mr Wallace (admittedly covering much of the same ground). This tiresome error will have to

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corrected if the public record of what happened to this file is ever to be set straight.

302(U). In the vast mass of this confusing correspondence, one important point should not be overlooked. This is Mr Wallace's statement in his letter of 14 August 1985 to Major General Garrett that the Army was not party to the alleged cover-up of the homosexual assaults that took place at Kincora. That was an important acknowledgement for him to have made - especially if "the Army" for this purpose was intended to include the military intelligence staff.

DELICATE SOURCE SECRETX ALLEGATIONS MADE BY MR WALLACE ABOUT KINCORA, "CLOCKWORK ORANGE", ETC

303(U). It is now necessary to examine what evidence Mr Wallace might have been able to give about the Kincora affair, "Clockwork Orange" and his other allegations about "black propaganda", etc., in Northern Ireland during the 1970-1975 period, had he felt able - and been permitted - to do so. Some indications of this can be drawn from the voluminous correspondence in which both Mr Wallace and Mr Holroyd engaged, following the publication of the Hughes Report, with the assistance of several MPs - especially Mr Michael Marshall, Mr Teddy Taylor and (more recently) Mr Ken Livingstone and Mr Tam Dalyell. On 26 May 1986 Mr Wallace wrote³⁹⁷ to Mr Terence Higgins, the chairman of the Treasury and Civil Service Select Committee, asking the Committee to consider his case. On 4 June 1986 he copied³⁹⁸ this correspondence to Mr Austin Mitchell MP, under cover of a letter in which he made further allegations about the Security Service. Speculation in the media continued. Subsequent developments culminated in the publication in the Spring of 1989 of Mr Paul Foot's book "Who Framed Colin Wallace?", based on the Wallace and (to a much lesser extent) on the Holroyd cases. Mr Holroyd's book "War Without Honour" was published in November 1989: this deals mainly with Mr

397. Letter from Mr Wallace to Rt Hon Terence Higgins MP dated 26 May 1986 (MOD File D/GS Sec/66/13/1 Part C, attachment to Enclosure 17/1).

398. Letter from Mr Wallace to Mr Austin Mitchell MP dated 4 June 1986 (MOD File D/GS Sec/66/13/1 Part C, attachment to Enclosure 17/1).

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Holroyd's own case and with his allegations of illegal activities by the Security Forces, but it does also make reference to Mr Wallace's case.

304(U). To give a blow-by-blow account of all this correspondence would be tedious in the extreme. Instead this Part of the paper will describe those of Mr Wallace's main allegations which affect MOD and the intelligence community in Northern Ireland, based mainly on the "Political and security implications relating to Kincora" document (ANNEX E) but also on the later correspondence and Mr Foot's book. Those few papers found on MOD files and elsewhere, which are relevant to these allegations, will be described. (C). In the Final Part of this paper the most recent Ministerial statements will be analysed, in order to draw attention to any apparent errors.

DELICATE SOURCE SECRETKincoraNarrativeTerry and Hughes Inquiries

322(C). Paragraphs 217-218 and ANNEX J of this paper summarised the findings of Detective Superintendents Harrison and Caskey about the extent of knowledge among the Northern Ireland intelligence community in the mid 1970s about allegations of homosexual abuses at Kincora. Paragraph 215 gave Sir George Terry's findings on this subject. As noted in paragraph 296, the Hughes Committee found that, since Mr Wallace had declined to be interviewed by the RUC or to answer the Committee's questions, any further information which he might have been able to offer had no probative value to them. It is now necessary to examine:-

- (a) Whether any significant information has been found on MOD, NIO or Security Service files which was not made available in connection with those inquiries; and
- (b) Whether Mr Wallace has any significant information about Kincora, should he feel able to give it to the appropriate authorities.

Kincora - Government Papers

323(C). Very little information relevant to Kincora is currently

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available on MOD files. In 1982, following press speculation and questions from Mr Gerry Fitt MP, Mr [REDACTED] (then Civil Adviser HQNI) reported⁴¹⁵ that HQNI files had revealed little on the subject so far:-

"beyond the fact that it was known at least as early as 1975 that McGrath was a homosexual and deeply involved in TARA. The first (and only) mention of McGrath working at Kincora is not until 1977, and this is from a RUC document⁴¹⁶".

Mr [REDACTED] added that the AIS no longer held any files relating to the period when Mr Wallace was serving at HQNI.

324(U). HQNI files show that 178 Provost Company (Investigations) assisted the RUC with the Terry investigation. On 3 August 1982 Captain [REDACTED] L [REDACTED] (the OC) asked⁴¹⁷ DS6 for information about Mr Wallace and this was provided⁴¹⁸. In his letter Captain [REDACTED] L [REDACTED] said that the GOC had directed that every possible assistance should be afforded to the investigating officer. On 18 January 1983 HQNI informed⁴¹⁹ MOD that they had released to the RUC papers from HQNI and from 39 Infantry Brigade, which they believed would be relevant to their Kincora investigations.

415. Letter from Civil Adviser HQNI to DS6c reference CIVAD/88 dated 25 February 1982 (MOD File D/DS6/7/66/13/1 Part A, Enclosure 25).

416. This was not be correct - see later paragraphs.

417. Letter from OC [REDACTED] to DS6 reference 02907/2 dated 3 August 1982 (MOD File D/DS6/7/66/13/1 Part A, Enclosure 31).

418. Letter from DS6c to OC [REDACTED] reference D/DS6/7/44/18 dated 10 August 1982 (MOD File D/DS6/7/66/13/1 Part A, Enclosure 33).

419. Letter from HQNI dated 18 January 1983 (MOD Security File CPS/0/18371 Part III, Enclosure 52).

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325(S). An unreferenced SIB folder at HQNI contains what appears to be an early draft of a report on the outcome of [REDACTED] investigations (but written before those investigations had been completed). It certainly indicated that the SIB attempted to obtain a wide range of documents - although it is unclear what success they had.

326(S). The draft SIB report stated that:-

"It is understood that there is certain documentation within HQNI which indicates that Intelligence Services were aware of the fact that McGRATH was a homosexual and that he was employed in a supervisory capacity in Kincora. Additionally there is believed to be a Memo in existence originated by the then Assistant Secretary (Political) which outlines the fact that homosexual allegations are a matter for investigation by the RUC and not a subject with which military intelligence should be involved. It appears that information on Kincora was restricted to SO3 possibly SO2 level and to date there is no documentary evidence of a deliberate attempt to withhold this information. Similarly there is nothing to indicate that this information was passed to the RUC. This disclosure may be considered embarrassing to the military authorities; however, in context it was only comment made on personalities involved in a Loyalist organisation called 'TARA' which was floated in the 70s. Nothing has come to light to indicate that Army intelligence agencies used this knowledge to assist their operations. The significance of Kincora may, quite understandably, not have been realised at that time. It is intended that when the research is complete a statement will be recorded for eventual inclusion in the RUC file".

327(S). The draft report indicated that statements had been taken from Messrs Groves, Broderick and McDine, Major Puttock, Major Taylor and Captain Holroyd, all of whom had generally negated the allegations about Kincora which Mr Wallace had made up to that date. Lt Col Railton, Lt Col [REDACTED] and Captain Gemmell were still to be interviewed. Lt Col [REDACTED] and Mr Rea were both dead. The draft

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report also recorded that all documents, other than policy documents, about Information Policy had been destroyed in 1976 when the Information Policy section had been disbanded: the policy documents on IP had been destroyed in 1981: those responsible for this destruction were still to be interviewed.

328(S). No final version of the SIB Report has been found either at Lisburn or in the RUC papers; and it seems likely that the investigation was taken over and completed by Detective Superintendents Harrison and Caskey. It is understood⁴²⁰ from the NIO that RUC records show that Messrs Campbell, Dowling, Hunter and McKittrick (all journalists), Messrs Broderick, Groves, McDine, Noakes and Taylor (all Civil Servants), Mr [REDACTED] (banker - presumably ex-HQNI), Lt Cols Railton, [REDACTED] C and Waters, Majors Halford-Macleod, Jonas, Puttock, Saunders and [REDACTED] Captains Gemmell, Holroyd and [REDACTED] WO2 [REDACTED] and Staff Sergeant [REDACTED] Q were all interviewed. That seems pretty comprehensive. Although Security Service staff were not interviewed, it is known (see paragraph 204) that Mr Cameron answered Detective Superintendent Caskey's questions in writing.

329(S). It is understood⁴²¹ from the Security Service that the Indexes of the NIO E-Named Section records in Belfast show that the NIO E-Named Section [REDACTED] first learnt of Mr McGrath in 1973. This was a mention in an

420. NIO letter dated 16 November 1989 (MOD File D/Sec(NATO/UK)(C)/Box 2).

421. Letter from the Security Service to the Cabinet Office (Mr [REDACTED] B-Protection of Identity) reference E-File Reference dated 10 November 1989 (MOD File D/Sec(NATO/UK)(C)/Box 2 (MOD File D/Sec(NATO/UK)(C)/Box 2)).

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intelligence report of September 1973 from the Army liaison officer at RUC HQ and was apparently based on RUC Special Branch information. This stated that Mr McGrath was a boys's hostel warden and "apparently homosexual" and that he ran the loyalist organisation, TARA. There are two later reports: one in November 1973 was simply to say that Mr McGrath was a social worker at Kincora Hostel, and the other in March 1975 gave the full address of the hostel, saying that Mr McGrath was the warden. Only the last letter still exists: it was based on a report to the Assistant Secretary (Political) at HQNI (Mr Cameron) from HQ 39 Brigade, which had been given background details on leading loyalists by and RUC informant. The latter had interviewed Ms Valeria Shaw (Dr Paisley's assistant) who had said of Mr McGrath that he had had a homosexual affair with Mr Roy Garland. There is no record in the letter alleging homosexual activities by Mr McGrath at Kincora.

330(S). The only other Security Service record relating to this period is that an Army intelligence officers, Captain Gemmell, recalled in 1982 that he had passed intelligence in 1975 to his directing officer at HQNI, Mr Cameron, on Mr McGrath. Whilst Captain Gemmell believed that he had told Mr Cameron that Mr McGrath was both a homosexual and warden of Kincora, where he had recruited other homosexuals to help him, Mr Cameron's recollection is that Captain Gemmell did not mention the boy's home. Mr Cameron believed that talk about homosexuals was merely gossip which he saw no need to pass to the RUC. Capt Gemmell states that Mr Cameron told him not to pursue the matter of Mr McGrath's homosexuality. Mr Cameron did not recall clearly, but believed this to be likely to be so. There is no

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was "a homosexual" and "made practice of seducing promising young men"; he was currently described in the Belfast street directory as a Welfare Officer; and he was "thought to be running some form of boys' home". The letter concludes by saying that this letter, or paper, might become the basis upon which future MISRs (Military Intelligence Source Reports) might be written. No MISR concerning Mr McGrath and/or Kincora has been discovered in either the HQNI or the NIO **E-Named Section** files.

333(S). Other relevant documents in the Army intelligence files are:-

(a) An Army Intelligence Report reference SF704 Int dated 6 July 1974 (copy no 3 of 3) about TARA and Mr McGrath, which does not contain any reference to Kincora: this is not the same document as the document on page 292 of "Who Framed Colin Wallace?", which covers much of the same ground.

(b) A document which appears to be the brief on TARA handed to the RUC by Mr McKittrick (see paragraph 175) - although a further check is needed to confirm that these documents are indeed identical.

334(S). The NIO's study of RUC records and their discussions with RUC officers, including Detective Superintendent Caskey, have

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confirmed⁴²² that the RUC were aware of the great bulk of the above information, which supports their findings summarised in paragraphs 217-218 of this paper. (See ANNEX J for further details).

335(S). In addition, it is understood from the NIO that the RUC/Sussex Police found that:-

(a) An anonymous phone call to the RUC had been made on 23 May 1973 - probably by Mr Garland - in which the caller had said that Mr McGrath was a homosexual and the centre of a vice ring; that he was employed at the Kincora Boys Hostel; that the young men were involved with him sexually and politically; that he had influence with MPs who themselves were homosexuals and were instrumental in obtaining Mr McGrath's employment at Kincora; and that he was a leader of a militant organisation called TARA.

(b) In the early 1970s Mr Garland began to tell a variety of people (including military personnel) that Mr McGrath was a homosexual and that he was employed at Kincora. After he had spoken to Mr William McCormick, the latter arranged for him to see Detective Constable Cullen (RUC) and an Army Intelligence officer.

(c) However, it seemed that, during the years when Mr Garland was campaigning to expose Mr McGrath as a homosexual,

422.NIO letter dated 16 November 1989 (MOD File D/Sec (NATO/UK)(C)/Box 2).

DELICATE SOURCE SECRET

the only evidence he offered was a somewhat unconvincing story that in 1955 (nearly 20 years earlier) Mr McGrath had put his hand on his (Mr Garland's) knee (although this information was supplemented by copies of letters said to have been written by Mr McGrath in 1962).

(d) Captain [REDACTED], a member of the UDR, suspected Mr McGrath of being a homosexual (but not, it seems, with much evidence); and he and a Major [REDACTED] submitted a report detailing what was known about Mr McGrath's involvement with TARA. Major [REDACTED] also liaised with Mr Garland.

(e) Newspaper speculation that the Security Forces were aware of "all aspects of Kincora" appeared to be based on what Messrs Garland and [REDACTED] had to say about Mr McGrath.

Kincora - Mr Wallace's Allegations

336(U). Mr Wallace's allegations about Kincora can be summarised as follows⁴²³:-

(a) "I believe that it was in early 1972 that I was first made aware of the situation at Kincora ... At this time I had been running an Army Free Fall Parachute Team (The Phantoms) Shortly after [a] display I was telephoned by a woman who claimed to be a social worker. She said that she had some information to give me in confidence and I agreed to meet her in Belfast. When I met her she told me that she had a young boy in her charge who was a resident in the Kincora Boys' Home and who claimed that he had been

423. "Political and security implications ... relating to ... Kincora ..." (ANNEX E) pages 4-5, 7 and 16).

DELICATE SOURCE SECRET

sexually assaulted by the staff of the Home. She went on to say that there had been similar claims by the other inmates of the Home and that although the matter had been reported to the RUC no action had been taken. She asked if through Army channels, I could get the Police to take action. Quite clearly she was very distressed and she asked me to ensure that her identity was not disclosed. She was particularly worried because key personalities in the Welfare Department were understood to be homosexuals, as was a senior member of the Kincora staff who also held influential posts in the Unionist Party. This man she identified as William McGrath I reported my conversation with the social worker to a member of the intelligence staff when I returned to Lisburn and asked if he could raise the matter with the RUC through our liaison channels. Some days later the officer with whom I had raised the matter came to my office and asked me to leave the incident alone because it was already under consideration by other people. I did not regard this as unusual at the time because it frequently happened when two agencies became involved in the same activity or with the same target. I had no further information about Kincora for almost a year and I do not know if my information was ever passed to the RUC ... I feel that if some Police action had been taken on my report in 1972 then it is quite possible that two people need not have died".

(b) "In 1973 a senior officer at HQNI gave me a written brief relating to McGrath and his activities and asked me if I could get a reporter to investigate the matter. I did pass the information on to several journalists but I do not think any of the information was ever published".

(c) "Kincora featured quite prominently in "Clockwork Orange 2" [in 1974] because it provided a local story link which could be quickly substantiated by any investigative journalist".

(d) "There was also reference to homosexual assaults at two other homes for boys in the Province. I think one of the homes was Bawnmore but I cannot remember the name of the other one".

(e) "There were also allegations that boys from the homes had been taken out to meet clients at various locations".

(f) [In 1974] "I was asked by a senior officer at HQNI to 'leak' the contents of another document about Kincora. This document was very low-key by comparison [with "Clockwork Orange 2"] and was designed to get the press to investigate the matter I decided that my best course of action was to refuse to continue with "Clockwork Orange 2" and at the same time go ahead and 'leak' the other Kincora material which I had been given by the officer at HQNI. In fact I did release this material but I do not think anyone ever used any of the information".

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(g) "The file on which I had worked in connection with "Clockwork Orange 2" showed quite clearly that several complaints had been made to the RUC and to the welfare authorities about abuses by the staff during the period 1972-74. Indeed the RUC had received a fairly lengthy report from one of its own officers in 1974 about allegations made by one of the inmates".

(h) "After I left the Ministry of Defence I made several further attempts to get journalists to investigate the Kincora situation but without success".

(i) "In 1975 I made an anonymous telephone call to a senior official at the Belfast Welfare Department, making him aware of the allegations relating to the abuses but I did not give him any indication of my Security Forces connections or of any link between the situation and the Intelligence Services".

337(U). Mr Wallace has also alleged that the Terry investigations were discredited by media reports that military intelligence officers had been aware in the mid 1970s that Mr McGrath was a homosexual and was employed at Kincora (see paragraph 275 of this paper); that the police force which had carried out these investigations had also been investigating homosexual offences involving prominent Ulster personalities (including senior officials at the NIO) (presumably with the implication that their enquiries were not unprejudiced); and that the authorities had not disclosed to the RUC investigators the existence of Mr **B-Protection of Identity** (who Mr Wallace said was "our man inside TARA") or of another three intelligence sources (whom he did not name⁴²⁴). In addition he claimed that Mr Roy Garland, the former second-in-command of TARA was a source of information about the

424. Letter from Mr Wallace to Dr Mawhinney dated 21 February 1988 (MOD File D/GS Sec/66/13/1 Part D, attachment to Enclosure 32).

DELICATE SOURCE SECRET

Kincora affair to both the Army and the RUC⁴²⁵. He was correct on the latter point.

338(U). Mr Wallace has supported these serious allegations with the following documents, which he claims were written in the mid 1970s:-

(a) A brief headed "Some 'off the cuff' information on TARA for the Press", which Mr Wallace has said that he was given by a military intelligence officer and which he has claimed that he used in 1973 for unattributable briefings of journalists. This document, which is printed on page 292 of "Who Framed Colin Wallace?" (reproduced at ANNEX H to this paper) included the following passage:-

"....The OC [of TARA] is William McGRATH. He is a known homosexual who has conned many people into membership by threatening them with revealing homosexual activities which he himself initiated. He is a prominent figure in Unionist Party politics and in the Orange Order. McGRATH uses a non-existent evangelical mission as a front for his homosexual activities and also runs a home for children on the (236) Upper Newtownards Road, Belfast⁴²⁶"

425. Letter from Mr Wallace to Mr Marshall dated 28 August 1986 (MOD File D/GS Sec/66/13/1 Part C, attachment to Enclosure 24).

426. This is not the same document as the one which the RUC obtained from Mr McKittrick (see paragraph 175), which contained no reference to Kincora. In his letter of 20 June 1986 to Lord Trefgarne (MOD File D/GS Sec 66/13/1 Part C, attachment to Enclosure 11) Mr Wallace said that the McKittrick document was a sanitised version of the document at page 292 of "Who Framed Colin Wallace?" He alleged that a report by Mr Fisk in the New Statesman on 19 March 1976 referring to "the army's account of [TARA's] activities collated by an intelligence officer at Lisburn contained material which showed that it had been drawn from the document at page 292 of Mr Foot's book. His argument is not convincing; it is true that the article included some material which was not in the McKittrick document; but that does not prove

DELICATE SOURCE SECRET

(b) A memorandum which Mr Wallace claims⁴²⁷ to have written on 8 November 1974, purportedly based on a "RUC background paper on TARA", which expressed serious concern about the failure of the RUC and of the Welfare Department to take action over homosexual assaults on the inmates of Kincora. A copy of this memorandum was handed to the Essex Police by Captain Holroyd: it is reproduced at ANNEX G to this paper. It appears to have been addressed to Lt Col Railton. It

(Footnote 426 continued from previous page)
that Mr Fisk was told about Kincora.

427. "Who Framed Colin Wallace?", pages 96-100. Mr Wallace claimed in a letter of 20 June 1986 to Lord Trefgarne (MOD File D/GS Sec/66/13/1 Part C, Enclosure 11) that there were two versions of this document. The version at ANNEX G was, it would seem, allegedly the "carbon copy of [his] original draft version" of the document; and it would seem from this letter that on 1 November 1984 he included in his file a final version of this document. He said that:-

".... the only differences between the two versions relate to the fact that I was originally under the impression that the "Reference A" referred to was entirely an RUC paper, whereas, as I later discovered, one part of it comprised an Army analysis/commentary upon the police report. When this was drawn to my attention, I amended the final memo to take into account the correct attribution of source material. As a result, in [the version which Mr Wallace believed MOD held] "Reference C" has the title "Int comments upon the above" and a new "Reference D" has been added under the old "Reference C" title".

In the second attachment to a further letter dated 28 August 1986 (to Mr Marshall) (MOD File D/GS Sec/66/13/1 Part C, attachment to Enclosure 24) Mr Wallace claimed that the 8 November 1974 document was "nothing more than the first draft of a memorandum relating to a request I had received in 1974 to draw media attention to the overall situation relating to TARA, William McGrath and Kincora".

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ends by recommending that one final attempt should be made to get the RUC to investigate the matter; and that, if that fails, the story should be disclosed to the press.

(c) Two other documents referred to in the index to Mr Wallace's file of papers handed to the Essex Police:-

(i) An alleged RUC background brief on 'TARA'.

(ii) 'The Folio Document' as allegedly leaked by NIO sources in 1976 (see paragraph 176).

MOD has no knowledge of the first of these documents. The second document contains no reference to Kincora.

(d) 3 pages of manuscript notes on TARA, which Mr Wallace claimed in a letter⁴²⁸ of 30 July 1986 to Mr Freeman (the then USofS(Armed Forces)) was part of a press briefing aide memoire compiled by him in 1974. He asked Mr Freeman to confirm that the document was authentic; but Mr Hatfield (GS Sec) replied⁴²⁹ on 5 September 1986 that he was unable to say whether it was or was not produced in 1974, as the document (portions of which were illegible) carried no

428. Letter from Mr Wallace to USofS(AF) dated 30 July 1986 (MOD File D/GS Sec/66/13/1 Part C, attachment to Enclosure 20/1).

429. Letter from GS Sec to Mr Wallace reference D/GS Sec/66/13/1 dated 5 September 1986 (MOD File D/GS Sec/66/13/1 Part C, Enclosure 21).

DELICATE SOURCE SECRET

markings or any indications of its status, date or authorship. If the document was genuine, it would be significant, as it contained (inter alia) a series of names, including those of Messrs Mains and Semple. So far as is known to MOD, it was never made available to the RUC or to the Hughes Inquiry.

Comment

339(C). The allegations made by Mr Wallace and others about the involvement of the military intelligence and Security Service staffs in the Kincora affair have been examined in depth by Detective Superintendents Harrison and Caskey, in connection with the Terry Investigation; and the Hughes Inquiry considered what contribution Mr Wallace might have been able to make. It is true that these various inquiries received less help from Mr Wallace than he might have been able to give, but that was certainly not through any reluctance on the part of the police investigators to receive and examine such information. It would be wrong to reopen those investigations unless it is now clear that there was some significant information or documentation which was not brought to their attention.

340(C). Sir George Terry reported that military sources had been very frank with him and perfectly open during the ongoing RUC enquiry under Detective Superintendent Caskey. A large number of people, including military intelligence officers were interviewed. The RUC were unable to interview Security Service officers directly, because

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the Attorney-General concluded that they had no information bearing on criminal acts and that there was a danger of the enquiry widening and edging into unwelcome consideration of intelligence organisations. But it seems clear that they were given access to the relevant information and were able to make full reports, the accuracy of which does not appear to be in doubt. It thus seems that it is only Mr Wallace's own information which was withheld from them (by Mr Wallace).

341(C). The decision to destroy HQNI's IP policy papers in 1981 might now be open to some criticism. The same criticism might also apply to the destruction of some MOD HQ papers, although the dates on which this was done have not yet been established.

342(C). It is a great pity that Sir George Terry's Report did not give a clearer account of the findings of Detective Superintendents Harrison and Caskey. Its very brief and peculiar wording gives a false impression of a cover-up.

343(C). It is not a military responsibility to ensure that offenders are prosecuted. Nevertheless, if it could be shown (and there is no reason to believe that it could) that military officers knowingly observed a situation where criminal offences were being committed against the inmates of Kincora, without taking any action to stop it, such conduct would have been unacceptable. The right action to have taken would have been to raise the matter with senior officers in the Welfare Department or the RUC, if necessary more than once. If no effective action had then resulted, the best course would not have

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been to leak the story to the press (as Mr Wallace has suggested, with little regard for the laws of libel) but to recommend the GOC to raise the matter with the NIO PUS or with the Chief Constable RUC.

344(C). These comments are all based on the assumption that the extent of knowledge about Kincora in the intelligence community was as described in the reports of Detective Superintendents Harrison and Caskey (ANNEX J, cf paragraphs 323-335). If Mr Wallace could show that they had available to them very much stronger evidence that homosexual offences were being committed at Kincora, as he has alleged, the position would be much more serious. To make such allegations, and the sinister theories which he has based upon them stand up, Mr Wallace would need to:-

(a) Identify (i) the social worker who allegedly spoke to him in 1972; (ii) the military officer whom he allegedly asked to raise the matter; (iii) the military officers who allegedly instructed him to use Kincora for IP operations in 1973 and 1974; and (iv) "Officer A" who allegedly wished to use the Kincora affair for some more nefarious purpose; and then

(b) Authenticate and explain the documents on which he relies.

It was his inability to do any of these things while the Terry and the Hughes investigations were in progress that made his allegations at that time of no probative value. (He would maintain, of course,

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that he was prevented from giving this information by inadequate assurances of his immunity from prosecution under the Official Secrets Acts).

345(C). If Mr Wallace were now prepared to give this information, it seems quite possible that he could demonstrate that he did indeed disseminate unattributable information in the mid 1970s about the homosexual associations of TARA and or Mr McGrath. A number of journalists told⁴³⁰ the Police, and the Hughes Committee that they remembered this. But it seems that he would find it much harder to show that he ever told any journalists at that time that Mr McGrath worked in a children's home. Mr Wallace has explained⁴³¹ that he concentrated on Mr McGrath and TARA rather than on Kincora during his 1973 and 1974 press briefings because he was under very specific instructions not to be seen to be involved in matters which were purely of a police nature. That last statement fits with the sequence of events described in earlier paragraphs and with the lack of any reliable evidence that homosexual offences were being committed at Kincora.

430. Hughes Report, paragraphs 4.80-4.82. cf "Ireland - The propaganda War", referred to in a letter from Mr Wallace to Mr Freeman dated 30 July 1986 (MOD File D/GS Sec/66/13/1 Part C, attachment to Enclosure 20/1), where it was alleged that Mr Wallace briefed Mr Dowling (Sunday Mirror) on TARA and McGrath - but not Kincora in 1973; and Messrs McKittrick (Irish Times) and Blundy (Sunday Times) in 1975. Allegedly Mr McKittrick was given McGrath's address and telephone number.

431. Letter from Mr Wallace to Mr Marshall dated 28 August 1986 (MOD File D/GS Sec/66/13/1 Part C, attachment to Enclosure 24).

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346(C). If Mr Wallace wishes to use the document at page 292 of Mr Foot's book (ANNEX H) in support of his claim that the intelligence community had hard information about Kincora, he would first have to show that the document was genuine; and that the references to Kincora formed part of the document in 1973. If he wished to rely on his alleged manuscript notes of the period, he would need to produce the original copy of them for forensic examination.

347(C). He would be on firmer ground if he could show that the alleged 8 November 1974 memorandum (ANNEX G) was genuine and that it was actually sent to Lt Col Railton. It is understood from the NIO⁴³² that Lt Col Railton told the RUC that he could not recall receiving any information whatsoever from Mr Wallace about Kincora. Mr Wallace might have some considerable difficulty in giving a convincing explanation of the alleged November 1974 memorandum. The Hughes Report noted⁴³³ that the RUC investigation attempted, inter alia, to validate the authenticity of this document. The statements of MOD personnel, including purported addressees did not establish its authenticity. And moreover a Forensic Report raised the possibilities that the first page had been tampered with and that two typewriters had been used, but was inconclusive as to authenticity⁴³⁴.

432.NIO note of RUC records.

433.Hughes Report, paragraph 4.85.

434.It is understood from the NIO that the RUC forensic report indicated that one of the typewriters generated a typeface similar to the one used to type a reference (on DOE Marsham Street notepaper) which Mr Bröderick gave Mr Wallace in 1976. If the RUC were right on this, it seems possible that at least part of the document was typed on Mr Wallace's own typewriter. The other typewriter might be the same as a typewriter used for a

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Mr Wallace has disputed this last point.

348(C). To carry conviction over this document, Mr Wallace would have to explain:-

(a) Why he did not mention this document in "Political and security implications relating to Kincora" (although he might say - see page 232 of Mr Foot's book - that he included it in the file of documents which he sent to the Prime Minister);

(b) What response he received from the person to whom he allegedly addressed it (presumably Lt Col Railton);

(c) Whether he regarded that response as satisfactory and, if not, what action he then took⁴³⁵;

(d) Why he thought the document sufficiently important to retain it (in breach of the Official Secrets Acts) when he left HQNI and the Civil Service, but nevertheless made no mention of his concern about Kincora in any of the

(Footnote 434 continued from previous page)
document originated in 1984. It would be unwise, however, to put excessive weight on this analysis.

435. He might say that he was unable to take any effective action because he was forced to leave HQNI. But he allegedly wrote the document on 8 November 1974 and he did not finally leave HQNI until 31 January/4 February 1975.

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discussions that he had with senior officers at that time⁴³⁶;

(e) If the RUC sustain their view that two typewriters were used to type page one of the document, what was the reason for this;

(f) Whether the "RUC background paper on TARA" quoted in this document as Reference A is the same paper as he listed at Serial 5 of the index to his file of documents as a "RUC background brief on TARA"; and, if so, why Mr Foot should have said that Mr Wallace had not managed to keep a copy of that document⁴³⁷;

(g) Whether this RUC background brief is the same paper as the file on which he worked on "Clockwork Orange 2"; and, if so why he said that Army IP officers had no knowledge of "Clockwork Orange 2"; and

436. Mr Wallace might claim - see "Who Framed Colin Wallace?" (page 110) - that he raised the matter with the GOC or the Chief of Staff on 27 January 1975. There is no record on MOD files that he did so, or indeed that he had an interview with either of them on that date. But the HQNI documentation is very sparse. His remark that at the 27 January interview the GOC expressed surprise and disappointment at his posting and tried unsuccessfully to get it changed seems unlikely.

437. "Who Framed Colin Wallace?" page 96, Lines 33-34. Mr Wallace would now seem to say that part of this alleged document was written by Army Intelligence Staff (See Note 426), in which case it would be interesting to know whether the Army Intelligence Brief was the same as, or similar to, the brief at page 292 of Mr Foot's book (and, if so, what was the origin of the "Flagged" documents.

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(h) Whether the "report by Mr H MASON" referred to in the last line of paragraph 4 of the document at ANNEX G was the document referred to in the Hughes Report as "the Mason File", which Mr Mason handed over to his successor Mr Bunting in June 1973 and which the latter then consigned to his desk drawer⁴³⁸; if so, who made "notes" of it; and, if it was the RUC who did so, how they were able to make those notes in 1974 when it seems that the file was not shown to the RUC until February 1976⁴³⁹.

438. Hughes Report, paragraphs 3.172-3.173.

439. Hughes Report, paragraphs 4.101-4.109.

DELICATE SOURCE SECRETOther Allegations by Mr WallaceNarrative

349(U). Several other allegations by Mr Wallace need to be mentioned.

The Murder of Brian McDermott

350(U). A second attachment to the alleged 8 November 1974 memorandum (ANNEX G) was a "RUC report on the death of Brian McDermott" (described as "Reference B"). Mr Foot has stated that Mr Wallace was unable to keep this document either⁴⁴⁰. The alleged memorandum⁴⁴¹ discussed a linkage between Brian McDermott's murder and black magic (as well as with the homosexual community). The author wisely expressed the view that it would be foolish to give credence to some of the stories put around (including a link to Rev Ian Paisley).

351(S). Paragraph 47 of the Cameron Report⁴⁴² said:-

"Rumours of black magic being practised in several parts of the Province (particularly in Newry) were rife during the Winter of 1973. Although these rumours were not necessarily initiated by the Army there seems little doubt that WALLACE may have been directly involved in encouraging their dissemination. On the other hand there is nothing in

440. "Who Framed Colin Wallace?", page 96.

441. ANNEX G, paragraph 9.

442. Cameron Report (April 1975) (ANNEX A) (See Note 12).

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subsequent newspaper reports to suggest that any attempt was made by the Army to involve the IRA in these activities ..".

Otherwise no MOD documentation with any relevance to the Brian McDermott case has yet been found.

Mock Raid on Aldergrove Airport

352(U). Mr Foot has stated⁴⁴³ that Mr Wallace's expertise as an organiser of stunts and fake operations was put to good use by the Army, not just to disorientate the enemy but also to check on security. One rather too successful exercise of this kind, in which he said that Mr Wallace and the IP Staff were involved, was a "mock raid" on Aldergrove Airport in 1973.

353(U). Mr Whitehead, currently serving in the Defence Press Office, recorded⁴⁴⁴ on 26 August 1987 that he served in Information Policy at HQNI between August 1973 and January 1974. The exercise referred to by Mr Foot was named "Prove" and took place on 27 November 1973. Its aim was to test the efficiency of a UDR battalion in setting up vehicle checkpoints (VCPs) at short notice and in response to intelligence that an IRA Active Service Unit was en route to Aldergrove Airport. Four civilian vehicles, each containing two PR personnel and some "incriminating" item, were routed so as to pass through two VCPs. Mr Whitehead drove a Ford Escort Estate with a

443. "Who Framed Colin Wallace?", pages 19-20 and 269-270.

444. Unreferenced loose minute from ACPR(P and F) to Head GS Sec dated 26 August 1987 (MOD File D/GS Sec/66/13/1, Part D, Enclosure 21).

DELICATE SOURCE SECRET

lady passenger in the front and a three-inch mortar in the back, successfully negotiating both VCPs despite being stopped and searched. "Forged CIA identity cards" were carried as a further measure to "spoof" the UDR in the event of the incriminating item being discovered: there was no need to use them, as all the teams were successful in passing through the VCPs.

354(U). Mr Foot said that one of the groups managed to place an undetonated bomb in a desk drawer in the headquarters of an Army unit near the airport. In a further minute⁴⁴⁵ dated 25 May 1989 Mr Whitehead said that he seemed to remember that this was a cardboard box with "BOMB" written on the side. He also queried some of the other details given in Mr Foot's book. Recently Mr [REDACTED] (Civil Adviser HQNI) has been advised⁴⁴⁶ by 321 EOD Coy HQNI that they have no record of a real explosive device having been left at HQ 9 UDR at that time (as Mr Wallace has alleged). They do have a record that on 19 November 1973, on the railway west of Carrickfergus (some distance from Templepatrick), a train driver reported drums on the line. Three drums were found, two full of stones and one of disinfectant: there was also wire and a tin of sawdust. This last report is of interest because Mr Wallace has alleged (see ANNEX K Question 8) that AIS staff planted a hoax bomb on the railway line near Templepatrick, the implication being that it contained real explosive.

445. Loose minute from DCPO to Head GS Sec reference D/DPR/29/1/14 dated 25 May 1989 (MOD File D/GS Sec/66/13/1 Part E, Enclosure 40+1).

446. Letter from CIVAD HQNI to Head of GS Sec reference CIVAD/3 dated 27 October 1989 (MOD File D/GS Sec/66/13/1 Part G, Enclosure 4).

DELICATE SOURCE SECRETOther Alleged/Illegal Activities by the Security Forces

355(U). In a letter to the Prime Minister dated 30 January 1986 Mr Wallace referred to an allegation made by Mr Holroyd in a letter⁴⁴⁷ dated 6 January 1986. Mr Holroyd had claimed that a large number of people (some with no connections with terrorism) had been assassinated with the assistance of members of the RUC Special Branch with whom Mr Holroyd had worked and also of members of the Regular Army. Mr Wallace then suggested that during the first six months of 1975 some 35 Roman Catholics were assassinated in what he thought was almost certainly a deliberate campaign to bring about an end to the IRA ceasefire. He asked whether [B-Protection of Identity] [B-Protection of Identity], [B-Protection of Identity], [B-Protection of Identity], and [B-Protection of Identity], who he said were known members of Loyalist paramilitary groups, were also agents of the RUC Special Branch in Portadown. He suggested that weapons which were confiscated by the RUC from a Portadown arms dealer in 1972 later 'went missing' from the police station; and that one of the weapons 'lost' was a Luger pistol. During the 1974 UWC strike (Mr Wallace alleged) Mr [B-Protection of Identity] was detained by the RUC for being in possession of a Luger pistol: no action was taken against him, following Special Branch intervention: Mr Wallace also alleged that the Luger pistol used in the 1975 Miami Showband

447. Letter from Mr Wallace to the Prime Minister dated 30 January 1986 (MOD File D/GS Sec/66/13/1 Part B, attachment to Enclosure 81/2). Letter from Mr Holroyd to Lord Trefgarne dated 6 January 1986 (MOD File D/GS Sec/66/13/1 Part B, attachment to Enclosure 81/2).

DELICATE SOURCE SECRET

massacre⁴⁴⁸ was also the one used in the assassination of John Frances Green⁴⁴⁹ by the SAS in the Republic of Ireland; and that the other weapon used (a Star automatic) was one of a number captured some time earlier by the Army. The only Luger pistol 'captured' by the Security Forces in the RUC's 'J' Division between 1972 and 1975 (said Mr Wallace) was the one he had just referred to. Finally, Mr Wallace alleged that weapons stolen from the UDR Armoury at Mahon Road Barracks (Portadown) were hidden at the farm of a prominent Loyalist politician. A linear scan by a RAF Phantom had allegedly confirmed the presence of the weapons and the 'dump' had been placed under Special Branch surveillance: but, Mr Wallace said, weapons from it had nevertheless been used periodically for assassinations, including the Miami Showband massacre.

356(U). Mr Wallace was told⁴⁵⁰ by Mr Routh on 20 March 1986 that Mr

448. The Miami Showband, whose members were returning to Dublin from an engagement in Northern Ireland, were ambushed by a group of men wearing military-style uniforms and were ordered out of their van at gunpoint. While two of the ambushers were planting a bomb in the van, the bomb exploded killing them both. Other ambushers then opened fire on the five members of the band, killing three and seriously injuring another. The UVF admitted their involvement, alleging that UVF members patrolling the area had been fired on.

449. Mr Holroyd alleged (See New Statesman - 4 May 1984) that the late Captain Nairac had told him that he and two other men had killed Mr Green (a leading republican) south of the Border on 10 January 1975. Mr Holroyd passed to the RUC a photograph which he said Captain Nairac had told him was taken soon after Mr Green's death, for use in their investigations of his allegations of criminal activities by the Security forces. It is still in their possession.

450. Letter from PS/Lord Trefgarne to Mr Wallace reference D/Min(DS) DGT 0449 dated 20 March 1986 (MOD File D/GS Sec/66/13/1 Part B, Enclosure 95).

DELICATE SOURCE SECRET

Holroyd's allegations had been the subject of a full investigation by the RUC; and that the DPP(NI) had found no activity warranting the initiation of criminal proceedings and no further requirement for investigation. Mr Wallace did not accept that response: on 26 March 1986 he said⁴⁵¹ that he had been reliably informed that the only death relevant to both Mr Holroyd's allegations and his own was that of Mr Green. He was not surprised to hear that the RUC had found no activity warranting criminal proceedings: officers involved in the investigation of Mr Holroyd's allegations had admitted privately that the Army had been less than helpful to them. Mr Routh⁴⁵² advised him on 9 May that, if he or Mr Holroyd had any evidence about criminal activities, they should give it to the police. Mr Ken Livingstone subsequently asked a series of Parliamentary Questions about the weapons deployed in Northern Ireland and used in various incidents, designed to demonstrate the involvement of the Security Forces in illegal activities. Unfortunately some of the information given in answer to these Questions was not correct. Details are at ANNEX M.

Comment

357(U). While Mr Routh's response did not satisfy Mr Wallace, it was the correct one to make. It would, however, be useful to confirm

451. Letter from Mr Wallace to Lord Trefgarne dated 26 March 1986 (MOD File D/GS Sec 66/13/1 Part B, attachment to Enclosure 97). See also letter from Mr Wallace to the Prime Minister dated 14 April 1986 (MOD File D/GS Sec 66/13/1 Part C, Enclosure 1).

452. Letter from PS/Lord Trefgarne to Mr Wallace reference D/Min(DS) DGT 26/2/2 dated 9 May 1986 (MOD File D/GS Sec 66/13/1 Part C, Enclosure 3).

DELICATE SOURCE SECRET

exactly which of the multiplicitous allegations made by Captain Holroyd and Mr Wallace (about alleged assassinations and other illegal activities by the Security Forces) have been investigated by the RUC; and which have not. The latter would only require investigation if either Captain Holroyd or Mr Wallace had some prima facie evidence that these illegal activities took place. As Mr Wallace cannot be in a position to know about these matters at first hand, it is hard to see how he could have such evidence: but, if he has, he should give it to the police.

358(U). As to the mock raid on Aldergrove Airport, the use of PR/IP staffs to conduct a mock raid as part of a security exercise is surprising, but not at all improper. Today such exercises might well be considered ill-advised: they would run some risk of causing "blue-on-blue" incidents and they might tend to undermine the Security Forces' response to genuine terrorist attacks. No information about this exercise, apart from Mr Whitehead's recollections, has yet been found on MOD files. It is thus impossible to be sure precisely what ordnance was carried, whether it was made safe and whether (as Mr Wallace has alleged) any real explosives were used. The latter might seem highly unlikely: but with Mr Wallace you can never tell. Any attempt, however, to attach some sinister connotation to this kind of exercise - eg planting explosives to frame suspected extremists/terrorists - would have to be supported by evidence that such activities took place.