

PRIME MINISTER

You asked for a note on the articles in The Guardian about compensation to the widows of the soldiers killed at Warrenpoint in 1979, and to former \* ~ \* who was injured at Newry in 1977. A note from the Northern Ireland Office is attached. It is a rather complicated story.

Briefly, the compensation paid by the NIO is based on the loss of the injured or deceased persons past and potential future earnings. If these earnings exceed the additional benefits available from social security payments, gratuities, pensions, etc., then the victim or his dependants are paid a lump sum. If the earnings do not exceed the additional benefits, then the NIO can only make discretionary payments: these are subject to a maximum of £5,000 for the widow of the victim and £500 for each child, and the maximum is almost always paid.

In both cases there is provision for interim payments to be made while the final settlement is being worked out.

In the case of \* ~ \* the NIO explain at A that it may well be in the claimant's interest not to reach a final settlement until some considerable time after he has suffered his injuries. This is because it may take some time for the claimant's medical condition to stabilise, and for the extent of his injuries to be fully established. \* ~ \* has already had interim payments totalling £12,000. His solicitor and counsel appear to agree with the NIO that the action they have taken is in \* ~ \* interests.

On the widows, the NIO admit that they have not handled the issue with all the tact that they might have. The problem concerns the six widows whose husbands' potential earnings are unlikely to exceed the additional benefits to which they have become entitled. The NIO told the widows' solicitor that

\* ~ \* Passages deleted and closed, / this was  
40 years, under FOI Exemption.  
@Wayland, 2 October 2012

this was the position in August 1980, and in July this year decided to make them an interim payment up to the amount of their maximum discretionary award. The terms of the letter conveying this offer were somewhat bureaucratic, and this may have annoyed the widows. However, the NIO feel fairly strongly that a large portion of the blame for the length of time it has taken to handle this case rests with the widows' solicitor. The solicitor himself has taken exception to hints to this effect in The Guardian article, and is now suing both the NIO and The Guardian for damages.

WJN

We should consider  
revising the maximum  
discretionary payments to a  
considerably higher figure - even  
double. We really must treat  
Soldier families well.

1 September 1981

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