

# Statement to Parliament: Oral

## Statement: Northern Ireland update

With permission I would like to make a statement about the current political situation in Northern Ireland.

As the House is aware, Northern Ireland has been without a properly functioning devolved Executive and Assembly for nine months.

During this time, the Democratic Unionist Party and Sinn Fein, as the two largest parties in the Assembly, have been engaged in a series of discussions to restore inclusive, power-sharing government at Stormont.

The latest phase of the discussions began in August and has run for the past nine weeks.

It is the responsibility of the parties to reach an agreement and the Government has been working tirelessly to support this process.

In addition to this, I have kept in regular contact with the Ulster Unionists, SDLP and Alliance as well as representatives of business and civil society.

My RHF the Prime Minister has also remained closely involved throughout the process and has held a number of discussions with the leaders of the DUP and Sinn Fein, as well as keeping in contact with Taoiseach, Leo Varadkar.

In addition, the Irish Government has been actively involved in the process in accordance with the well-established three stranded approach to Northern Ireland affairs.

I would like, in particular, to acknowledge the contribution of the Irish Foreign Minister Simon Coveney.

Our efforts have been focused mainly on bridging a small number of differences between the two largest parties, particularly around language and culture, that have prevented a sustainable Executive being formed.

While important progress has been made, the parties have not yet reached an agreement.

Therefore I am not in a position to bring before the House the legislation necessary for an Executive to be formed this week.

The consequence of this is that it is now highly unlikely that an Executive could be in place within a timetable to be assured of passing a budget by the end of November, which is the point at which we and the Northern Ireland Civil Service assess that Northern Ireland will begin to run out of resources.

No Government could simply stand by and allow that to happen and we would be shirking our responsibilities to the people of Northern Ireland were we to do so.

That is why the Government will take forward the necessary steps that would enable a Budget Bill to be introduced in the House in order to protect the delivery of public services in Northern Ireland.

This Budget Bill would deal only with the current financial year. It would incorporate figures provided by the Northern Ireland Civil Service reflecting their assessment of the outgoing priorities of the previous Executive. It would not set out any spending decisions by me or the Government.

As my RHF the Leader has indicated, I would expect the Budget Bill to be considered in this House shortly after the November recess.

Subject to Parliamentary approval, this Bill would give the Northern Ireland Civil Service certainty to plan for the rest of this financial year by giving the necessary legal authority to spend to existing plans.

And I would like to take this opportunity to put on record my deep appreciation for the professionalism of the Northern Ireland Civil Service in maintaining public services during this very difficult time.

The Government's strong desire would be for a restored Executive in Northern Ireland to take forward its own Budget.

So this step is one that I am now taking with the utmost reluctance and only in the absence of any other option.

I also want to be clear to the House that passing a Budget in Westminster does not mark a move to direct rule any more than the passing of legislation by this House to set a Regional Rate did in April.

Furthermore, it is important for me to emphasise that is not an obstacle to continued political negotiations and the Government will continue to work with the Parties with that intent.

Even now, however unlikely this may be, should the parties demonstrate that an Executive could be formed in the immediate future I would clearly wish to proceed with legislation to allow that to happen on the condition that a means could be created to provide an expedited procedure on an exceptional basis to enable the budget to be passed by the end of November.

In addition to preparations for budget legislation, and in recognition of the strength of public concern, I will also reflect carefully on the issue of salaries for Assembly Members.

This is a devolved matter and I cannot intervene without primary legislation in Westminster.

As I recently told the Northern Ireland Affairs Committee, in the continued absence of a functioning assembly the status quo is not tenable and therefore

I will be seeking independent advice on MLA pay on what steps may be taken to reflect the current circumstances.

Mr Speaker,

I still hope that the parties can resolve their differences and that an Executive can be formed.

We will continue to work with them and support them in their efforts.

Together with the Irish Government we remain steadfast in our commitment to the 1998 Belfast Agreement and its successors and to the institutions that they establish.

It remains firmly in the interests of Northern Ireland to see devolved government restored. To see locally elected politicians making decisions for the people of Northern Ireland on key local matters such as health, education, transport and economic development.

We are clear that Northern Ireland needs a properly functioning inclusive devolved government, along with effective structures for co-operation North-South and East-West.

But ultimately the Government is responsible for good governance in Northern Ireland and we will do whatever is necessary to provide that.

And I commend this statement to the House.