<u>Statement to Parliament: Update on UK</u> <u>Government effort to restore the</u> <u>Northern Ireland Executive</u>

Northern Ireland needs devolved Government.

It needs all the functioning political institutions of the Belfast Agreement and its successors.

As significant decisions are taken at this critical time, Northern Ireland's voice must be heard.

With new powers coming back from Brussels and flowing to Stormont, Northern Ireland needs an Executive in place to use those powers to meet the challenges and opportunities ahead.

As relationships evolve, a functioning North-South Ministerial Council is vital to ensure Northern Ireland makes the most of its unique position within the UK and in relation to Ireland.

And there are other critical strategic decisions which need to be taken for Northern Ireland – on, for example, investment, reform of public services and future budgets.

Critical cross-cutting programmes — addressing social deprivation, tackling paramilitarism — are stalling following 19 months without devolved government.

As this impasse continues, public services are suffering. Businesses are suffering. The people of Northern Ireland are suffering. Local decisionmaking is urgently needed to address this.

The only sustainable way forward lies in stable, fully functioning and inclusive devolved government.

So, with determination and realism, we must set a clear goal of restoring the devolved power-sharing Executive and Assembly.

In the absence of an Executive, I have kept my duty to set a date for a fresh election under review.

I have not believed and do not now believe that holding an election during this time of significant change and political uncertainty would be helpful or would increase the prospects of restoring the Executive.

But I am aware of the current legislative position.

In order to ensure certainty and clarity on this issue, I intend, therefore, to introduce primary legislation in October to provide for a limited and

prescribed period in which there will be no legal requirement to set a date for a further election, and importantly, during which time an Executive may be formed at any point without the requirement for further legislation. This will provide a further opportunity to re-establish political dialogue with the aim of restoring the Executive as soon as possible.

While Assembly Members continue to perform valuable constituency functions, it is clear that during any such interim period they will not be performing the full range of their legislative functions. So, in parallel, I will take the steps necessary to reduce Assembly members' salaries in line with the recommendations made by Trevor Reaney. The reduction will take effect in two stages, commencing in November — it would not reduce the allowance for staff as I do not think that MLAs' staff should suffer because of the politicians' failure to form an Executive.

I wish to commend the key role that the Northern Ireland Civil Service has played during the period in which there has been no Executive in ensuring the continuity of public services in Northern Ireland.

Following the recent decision of the Northern Ireland Court of Appeal in the Buick case, I recognise that there is a need to provide reassurance and clarity to both the NICS and the people of Northern Ireland on the mechanisms for the continued delivery of public services.

So, the legislation I intend to introduce after the conference recess will also include provisions to give greater clarity and certainty to enable NI departments to continue to take decisions in Northern Ireland in the public interest and to ensure the continued delivery of public services.

I intend to consult parties in Northern Ireland over how this might best be done.

I will also bring forward legislation which will also enable key public appointments to be made in Northern Ireland, as I set out in my written statement on 18 July.

At the same time I am conscious that this is no substitute for the return of elected ministers taking decisions in the Executive accountable to the Assembly.

I also intend, therefore, to use the next few weeks to engage in further discussions with the parties and the Irish Government in accordance with the three stranded approach with the intention of establishing a basis for moving into more formal political dialogue that leads to a restoration of the institutions.

These discussions will also seek the views from the parties on when and how external facilitation could play a constructive role in the next round of talks. No agreement can ever be imposed from outside Northern Ireland.

It must be reached by those closest to the issues, those who have been elected to represent the people of Northern Ireland.

I believe that the people of Northern Ireland want to see a restoration of their political institutions and that is what this Government is committed to achieving.

This statement represents a clear way forward and a plan for Northern Ireland and I commend it to the House.