

Statement to Parliament: Secretary of State's Oral Statement on the NI Budget Bill

Thank you very much, Mr Speaker, and I beg to move that the Bill be now read a second time.

Before I respond to the detail of this legislation, I do want to make some brief comments in relation to events yesterday. Yesterday people who are intent on killing and harming others left a small but lethal bomb in Omagh prior to Remembrance Sunday Commemorations. Their actions stand in stark contrast to those brave men and women that the community was gathering to honour. The men and women from all backgrounds who paid the ultimate sacrifice to all us all to live in a democracy.

I want to pay tribute to the work of the PSNI and others who dealt with that incident. And I think it underlines the continuing level of threat that we face, but, equally, what a repugnant, what an appalling act to take place on Remembrance Sunday when people were gathering to pay their respects in the traditional way. And I am sure that all members on all sides of the House will condemn it utterly and if there is information that people may have about this incident then I would strongly urge them to do what they can and bring that to the attention of the Police Service of Northern Ireland so that it can be pursued with all rigour.

Madame Deputy Speaker, turning to the bill before the House this afternoon, as I set out to the House a fortnight ago, it is now nine months since there has been a properly functioning Executive and Assembly. Yet despite the tireless efforts over the last 11 weeks, the most recent phase of the Talks, the parties have not yet reached an agreement that would enable a sustainable Executive to be formed.

In bringing the parties together for this most recent phase of the political talks, I have sought to help both the DUP and Sinn Fein to bridge the gap on a small number of outstanding matters including on language and culture as well as on issues in relation to the continuing sustainability of the Executive.

In doing so, I have worked closely with the Irish Government in accordance with the well-established three-stranded approach.

I remain prepared to bring forth legislation that would allow for an Executive to be formed should the parties reach an agreement.

My strong preference would be for a restored Executive in Northern Ireland to take forward its own Budget. So this measure is one that I am taking with the utmost reluctance and only because there is no other choice available. Let me be clear, the passage of legislation to set a budget should not be a barrier

to negotiations continuing. But the ongoing lack of agreement has had tangible consequences for people and public services in Northern Ireland.

For without an Executive there has been no Budget. And without a Budget civil servants have been without political direction to take decisions on spending and public services in Northern Ireland. And, Madame Deputy Speaker, I would pay particular tribute to all those who have been engaged, in the Civil Service, in seeking to manage the current events. I would just finish this point: the Northern Ireland Civil Service have demonstrated, I believe, the utmost professionalism in protecting and preserving public services throughout these difficult times and I would certainly like to put on record my recognition of the work that they have been doing.

But the powers, as I have indicated, that they have been exercising have their limits. Under section 59 of the Northern Ireland Act, and section 7 of the Government Resources and Accounts (Northern Ireland) Act 2001, the Northern Ireland Civil Service may only issue cash and resources equal to 95% of the totals authorised in the last financial year.

These powers do not allow departments to use accruing resources, meaning that the resources available to departments are in reality significantly less than 95% of the previous year's provision.

Honourable and right honourable members will recall that I set out in written statements in April and July an indicative Budget position and set of departmental allocations based on the advice of the Northern Ireland Civil Service. In my statement on the 17th of July, I said that "The exercise of section 59 powers cannot be sustained indefinitely" and warned that although we had not then reached that critical point, it was approaching.

Well, Madame Deputy Speaker, the resource limits in the absence of a Budget are now fast approaching. Without further action, by the end of November there are manifest risks that the NICS would simply begin to run out of resources.

That would mean no funding available for public services, with all of the negative impacts that would accompany such a cliff edge.

No Government could simply stand by and allow that to happen.

And that is why we need to take forward the Bill before the House today.

Necessity – good governance not Direct Rule

To be clear, Madame Deputy Speaker, this is a measure we have deferred for as long as was possible in relation to the Bill. We wanted the parties to reach an agreement and take a Budget through themselves.

In the absence of agreement, though, this Bill is necessary to keep public services running in Northern Ireland.

And while it is a Government Bill, it is not a UK Government Budget. It does not reflect the priorities or spending decisions of me or any other Minister.

Rather it sets out the departmental allocations and ambits that have been recommended by the Northern Ireland Civil Service.

And in turn they have sought as far as is possible to reflect the priorities of the previous Executive – albeit updated to reflect the changed circumstances as far as has been required.

In short, it is the Budget that a returning Executive – had one been formed – would have been presented with.

Taken as a whole, it represents a necessary measure, taken at the latest possible point, to secure public finances in Northern Ireland.

So Mr Speaker, we should be absolutely clear: passing this Budget in Westminster does not mean a move to direct rule, any more than did this Parliament legislating to set a Regional Rate in April.

Once the Budget is passed, the detailed decisions on how it is spent will be made by the Northern Ireland Civil Service.

And if – as I hope will be the case – the parties come together to form an Executive in the weeks ahead, those decisions would fall to them.

So there is nothing we are doing today that precludes talks from continuing, and an agreement being reached.

Contents of Bill

I therefore propose to turn briefly to the contents of this rather technical Bill.

In short, it authorises Northern Ireland departments and certain other bodies to incur expenditure and use resources for the financial year ending 31 March 2018.

Clause 1 authorises the issue of £16.17 billion out of the Consolidated Fund of Northern Ireland. The allocation levels for each Northern Ireland Department and the other bodies in receipt of these funds are set out in Schedule 1, which also states the purposes for which these funds are to be used.

Clause 2 permits some temporary borrowing powers for cash management purposes.

Clause 3 authorises the use of resources amounting to £18 billion in the year ending 31 March 2018 by the Northern Ireland departments and other bodies listed in clause 3(2).

These figures and those in Clause 1 supersede the allocations of cash and resources made by the permanent secretary of the Department of Finance up to the end of this month, under the powers I have already mentioned.

Similarly to Clause 1, the breakdown between these departments and bodies and

the purposes for the authorised use of resources under Clause 3 is set out in the Bill – in the first two columns of Schedule 2.

Clause 4 sets limits on the accruing resources, including both operating and non-operating accruing resources in the current financial year.

These sums relate to those which have already been voted on by Parliament via Main Estimates, together with revenue generated locally within Northern Ireland.

There is no new money contained within this Bill: there is simply the explicit authority to spend in full the monies that have already been allocated.

This Bill would ordinarily have been taken through the Assembly and I recognise perhaps the imperfections and the nature in which we are having to do this in this House in a way that does not reflect the way in which the Assembly itself would have been able to consider this and take this forward. And that's for example why, in clause 5, there are a series of adaptations that ensure that – once approved by both Houses in Westminster – the Bill will effectively be treated as if it had been taken through the Assembly, enabling Northern Ireland's public finances to continue to function notwithstanding the absence of an Executive.

And Clause 6 repeals previous Assembly Budget Acts, relating to the financial years 2013-14 and 2014-15 respectively, which are no longer operative. Such repeals are regularly included in Assembly Budget Bills.

Scrutiny/accountability

But Perhaps I might add to the House at this point that, as the debate this evening has demonstrated, this is clearly an unusual Bill to be taken through this House, marking as it does an approval by Parliament of spending in the devolved sphere.

And while being proportionate, I want to ensure that in the absence of an Assembly there can be appropriate scrutiny by Parliament of how the money it has voted is subsequently spent.

In addition to the provision in the Bill for scrutiny by the Northern Ireland Audit Office of the Northern Ireland Departments, I will be writing to the Comptroller and Auditor General for Northern Ireland asking him to send to me a copy of all of the NIAO audit and value for money reports that he produces after the Bill gains Royal Assent, which will contain his view on any shortcomings and his recommendations for improvement.

I will be asking the Northern Ireland Civil Service to make their responses to those reports available to me and copies of these reports and correspondence will be placed in the libraries of both Houses to allow scrutiny by all interested members and committees.

Estimates document

Alongside the Bill itself, Mr Speaker, I have also laid before the House as a Command Paper a set of Estimates for the departments and bodies covered by the Budget Bill.

These Estimates, which have been prepared by the Northern Ireland Department of Finance, set out the breakdown of their resource allocation in greater detail.

As Honourable and Right Honourable Members may note, this is a different process to that which we might ordinarily be seen for Estimates at Westminster, where the Estimates document precedes the formal Budget legislation, and is separately approved.

That would also be the case at the Assembly. But in these unusual circumstances, the Bill provides that the laying of the Command Paper takes the place of an Estimates document laid and approved before the Assembly, again to enable public finances to flow smoothly.

To aid the understanding of these Main Estimates and how the spending will breakdown, the Northern Ireland Civil Service has published a Budget Briefing paper, which was published on the Department of Finance website earlier today.

And it is also important to note, Madame Deputy Speaker, that the Northern Ireland political parties have also been briefed on this budget detail.

£50m allocation

So that is everything the Bill, Madame Deputy Speaker, dealing with monies already voted for by Parliament, or raised within Northern Ireland.

These figures do not, though, deal with any other items. As the figures contained in the bill do not secure the financial position for the long-term, challenges remain.

There is a health service in significant need of transformation

There are further steps to take to build the truly connected infrastructure that can boost growth and prosperity throughout Northern Ireland.

And there are other steps too.

And it was in recognition of those unique circumstances that the UK Government was prepared to make available additional financial support earlier this year, following the Confidence and Supply Agreement between the Conservative Party and the Democratic Unionist Party.

That Agreement made clear that we wanted to see that money made available to a restored Executive, which would decide on a cross-community basis how best to use the funding for the benefit of all in Northern Ireland.

But Northern Ireland's unique circumstances cannot simply be ignored in the meantime, especially given the pressure that we have seen in the continued absence of an Executive.

So separate from the Bill, Madame Deputy Speaker, this Government will commit to making available the £50m for addressing immediate health and education pressures in the Agreement in this financial year.

Those sums are not contained within this Bill, because they have not been voted on by Parliament.

If the Northern Ireland Administration confirm they wish to access them, they will be subject to the full authorisation of this House, as with all sums discharged from the UK Consolidated Fund, via the Estimates process in the new year.

From there they will be transferred, along with other sums forming part of the Northern Ireland block grant, into the Northern Ireland Consolidated Fund.

In the absence of an Executive, it would be for the Northern Ireland Civil Service – bound by a range of equality and propriety duties – to make the decisions as to whether and how to take account of this funding for the benefit of the whole community.

But I say to the House: we want to see a restored Executive back in place and deciding on how the additional financial support can best be used for the benefit of the whole community.

That remains the case now as much as ever. We believe as a party in devolution. We want to see locally elected politicians taking the strategic decisions about the future direction of their local areas.

MLA pay

In this context I know the disappointment that so many feel that despite the election more than eight months ago, there remains no functioning Assembly in which all those elected may serve.

And I know too that in turn many in Northern Ireland are concerned that full salaries continue to be paid to Assembly members despite the impasse.

I understand that concern. But I recognise too that in fact many of those elected have been desperate to serve since March, and have continued to provide valuable constituency functions in the meantime.

That is why I have been keen to seek independent advice on the subject in determining what actions may be appropriate.

I can say to the House this evening that Mr Trevor Reaney, a former Clerk of the Northern Ireland Assembly, has agreed to take on that task.

He will provide an independent assessment of the case for action and the

steps he would consider to be appropriate, and will report back to me by 15 December.

This will not pre-judge any particular course of action, not least as further steps would require primary legislation.

But his advice will help inform the best way in which to proceed.

Conclusion

I very much hope that the points that I have outlined in relation to the recommendations or review that I will be receiving in relation to MLA pay will not be needed.

And that is because I still hope that the parties can resolve their differences and an Executive can be formed. An Executive that will come together and take the strategic decisions needed on health transformation, educational reform, building world class infrastructure – to deliver a better future in Northern Ireland.

That is what the people of Northern Ireland voted for and want to see. And we will continue to work with the parties and support them in their efforts to reach a resolution.

For together with the Irish Government, we remain steadfast in our commitment to the 1998 Belfast agreement and its successors and to the institutions they established.

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.

And Northern Ireland and its people need a properly functioning and inclusive devolved Government, along with effective structures for co-operation north-south and east-west.

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

This Bill is a reminder of that underlying obligation that we will continue to uphold. And I beg to move that it be read a second time.

Speech: Building Inclusivity in Publishing

Good morning, and thank you for inviting me to speak at this important and

timely conference.

The UK publishing industry is unequivocally world-beating. Of the 9 books to have ever sold more than 100 million copies, 6 are by British authors. To top it off, the Nobel Prize for Literature this year was won by British author Kazuo Ishiguro.

We are here to celebrate that success. And we are here to confront one of the biggest challenges facing publishing: diversity.

From Harry Potter to Never Let Me Go, publishing is our shop window as a nation. That's why, more than any other industry, it's essential that publishing reflects the rich diversity of the British people.

But diversity isn't just a social responsibility, it's an economic one: drawing on the largest possible talent pool makes business sense.

New ideas come when ideas collide. Ideas collide when people of different perspectives collide. Let us set ourselves the goal so eloquently put by Idris Elba: of diversity of thought.

There's still much progress to be made. The most recent DCMS statistics show that only 11% of those working in the Creative Industries are BAME; though this is up 15% on 2015, an improvement more than 2 and half times that of the wider UK workforce.

Meanwhile, recent events in the entertainment industry serve as a reminder of the importance of building a Creative Industries workplace where all are treated equally and with respect, and opportunities are genuinely equal.

Significant strides towards diversity and inclusivity in publishing have been made in recent years: HarperCollins's BAME Scheme, Penguin Pride, Little Brown's new "inclusive" imprint Dialogue Books, to name just a few. These bold initiatives mark progress on diversity in the publishing industry, and I look forward to seeing their outcomes.

But it will take more than individual initiatives to make profound and lasting change to the publishing industry.

I'm delighted PA are bringing industry together around this new Action Plan. The plan addresses a number of potential stumbling blocks to diversity, from unconscious bias to a lack of entry level opportunities and strong ambassadorship. Progress on diversity requires us all to do our part: I hope that the PA's members will do theirs and commit to fully embracing this plan.

Government is doing its part, too, whether that's role modelling diversity within the Civil Service through our new Diversity and Inclusion Strategy, or by supporting the Creative Industries sector to diversify through the excellent work of the Creative Industries Council.

Diversity is a particular priority for me: next year I plan to host the inaugural DCMS Diversity and Social Mobility Forum, scheduled for earlier this year but postponed due to the Westminster terror attack. At the Forum, heads of industry from sport to tech, media to museums will come together to

share best practice on diversity. I hope some of you will join me there.

British people are defined and united by our rich publishing history, of which you are the latest chapter. Yet only by understanding our differences can we truly celebrate what we have in common: our desire to make the UK publishing industry the best in the world.

Let us take away this thought: we must be confident in that which binds us together, to give confidence to celebrate that which is unique in each person's heart. Let us set that as our goal. And let us go forward, together.

Press release: New Bill to implement Withdrawal Agreement

The Government has taken further steps to provide clarity and certainty as we leave the European Union by announcing a new Bill to enshrine the Withdrawal Agreement between the UK and the EU in domestic law.

In this afternoon's statement to the House on the latest round of Brexit negotiations, the Secretary of State for Exiting the EU, David Davis outlined plans for the Withdrawal Agreement and Implementation Bill.

This confirms that the major policies set out in the Withdrawal Agreement will be directly implemented into domestic law by primary legislation – not by secondary legislation under the EU (Withdrawal) Bill. This will allow for Parliamentary scrutiny and oversight of the process.

The Secretary of State for Exiting the EU, David Davis said:

We have always said we will do whatever is necessary to prepare for our exit, including bringing forward further legislation, and that is exactly what we are doing.

This is another important step that demonstrates our pragmatic approach to getting our house in order as we leave the EU.

By announcing this Bill, we are providing clarity and certainty – both in the negotiations and at home – about the final agreement being put into UK law.

As we move forward, we stand ready to work with MPs from across the House to ensure a smooth, and orderly exit from the EU that is effectively scrutinised by Parliament.

The exact details of the Withdrawal Agreement are the subject of ongoing and

future negotiations and cannot be known until those negotiations are near completion.

Therefore a Bill separate to the EU (Withdrawal) Bill is required to legislate for our withdrawal arrangements and planned Implementation Period.

The Bill is expected to cover the contents of the Withdrawal Agreement, including issues such as an agreement on citizens' rights, any financial settlement and the details of an implementation period agreed between both sides.

Bringing forward this Bill means that Parliament will be given time to debate, scrutinise and vote on the final agreement we strike with the EU. It comes over and above the undertaking the Government has already made that it will give Parliament a vote on the final deal as soon as possible after the deal is agreed.

The announcement of the Withdrawal Agreement and Implementation Bill comes ahead of the EU (Withdrawal) Bill entering Committee Stage in the House of Commons tomorrow (Tuesday 14 November) when amendments will be debated by MPs.

Day one of Committee Stage will include debate about the first clause of the Bill which repeals the European Communities Act 1972.

Last week, the Government tabled an amendment to the Bill, putting exit day on the face of the Bill after Ministers listened carefully to the debate around setting 'exit day' for the statutory purposes of the Bill.

There will be two days of debate for the Withdrawal Bill's Commons Committee Stage this week (Tuesday and Wednesday). Further dates for debate will be scheduled in due course and announced by the Leader of the House.

[Press release: Public offered fuller say on plans to upgrade A358 in Somerset](#)

The plan is to create a complete section of high quality dual carriageway, reducing congestion and leading to quicker journeys for motorists, and an initial consultation was held earlier this year.

Highways England acted on feedback from that consultation by planning a supplementary consultation, focusing on options for improving the road between the M5 and West Hatch.

Instead, the decision has been taken to consult on the whole route in early 2018 in order to gather better information.

David Stock, Highways England project manager, said:

“Having planned to hold a supplementary consultation, we’ve now decided to widen the scope into a whole route consultation and in doing so we need more time to work on this and finalise all the consultation materials. We also wanted to avoid consulting during December and the distracting run-up to Christmas.

“This will provide the public with a chance to have a fuller say, and there will be a number of options presented for consideration, the details of which will be announced when the consultation is launched.

“We listened to all the feedback during the initial consultation and we invite everybody to come along to the rescheduled events and have their say.”

The Government is committed to upgrading all remaining sections of the A303 corridor between the M3 and M5 to dual carriageway standard, and the A358 scheme is one of three projects included in its first roads investment strategy – with preferred routes announced earlier this year for both the A303 Stonehenge and A303 Sparkford to Ilchester schemes.

The A358 is currently a mix of single and dual carriageway, carrying more vehicles than it was designed for.

This leads to delays, and the plan is to improve the route to a dual carriageway as well as improve connectivity and access for local communities and vulnerable road users such as cyclists, horse riders and pedestrians. Consultation dates and details are currently being finalised and will be announced next month.

In the meantime, anyone wanting further information can go to the [scheme website](#).

General enquiries

Members of the public should contact the Highways England customer contact centre on 0300 123 5000.

Media enquiries

Journalists should contact the Highways England press office on 0844 693 1448 and use the menu to speak to the most appropriate press officer.

Press release: Take Indyref threat off table & work with us on Brexit

Scottish Secretary David Mundell today reiterated his opposition to a second independence referendum.

He also urged the Scottish Government to concentrate on working with the UK Government on securing a good Brexit deal.

Mr Mundell will be responding on behalf of the UK Government later today [13 November] to a Westminster Hall debate in the UK Parliament which will debate two petitions on a second independence referendum. More than 220,000 people have signed a petition against a second independence referendum, and fewer than 40,000 have signed one in favour.

Speaking ahead of the Parliamentary debate today, Mr Mundell said:

Scotland had a fair, legal and decisive referendum on Scottish Independence in 2014 and the people of Scotland rejected independence. The Scottish Government must move on. They must respect the referendum result, and take the threat of a second independence referendum off the table once and for all.

This is not the time to take Scotland back to the constitutional arguments of the past, it is time to concentrate on improving the lives of people in Scotland. I urge the Scottish Government to get on with the day job of tackling the real problems in Scotland's economy, health services and education.

People in Scotland rightly expect their two governments to work together. I hope the Scottish Government will work constructively with us on Brexit; on getting a deal which works for Scotland and the whole of the UK, and finding the best way of bringing back powers from the EU.

ENDS

Notes for Editors:

1. For further information contact the Scotland Office press office on 0131 244 9028.
2. The e-petitions being debated today are as follows: * Petition number 180642: "Another Scottish independence referendum should not be allowed to happen": 221,514 signatures. * Petition number 168781: "Agree to a

second referendum on Scottish Independence": 38,515 signatures.