

*Friday 5 July 2024*

## **New UK Government should focus on stability and good government in Northern Ireland**

*Pivotal, the independent policy think tank focused on Northern Ireland, calls on the new Labour government to support the Assembly and Executive to improve public services for everyone living here – and has five key messages for the new Prime Minister and Secretary of State.*

The results from this week's UK General Election mean there will be a new government in Westminster – and a new Secretary of State for Northern Ireland.

Independent think tank Pivotal suggests there are five priorities for this new government in how they can best support Northern Ireland:

- 1. The most important thing at present for Northern Ireland is stability in government** that allows proper planning for the delivery and reform of public services. Pivotal urges the UK Government, as co-guarantors alongside the Irish Government, to assist and nurture the Belfast / Good Friday Agreement institutions, particularly through difficult political periods. Maintaining a strong collaborative relationship with the Irish Government will be important to this.
- 2. Reach an early agreement with the Executive about a future fiscal framework for Northern Ireland**, including a settlement on the appropriate way to measure comparative need, the removal of the cliff-edge in public spending that is currently due to arrive in 2026-27, and how revenue raising might contribute to the longer term sustainability of the public finances.
- 3. Offer constructive help to the Executive as it tackles huge challenges like public service delivery and public service transformation.** Public services in Northern Ireland are falling far short of what is needed. Long-

term reform of services is well overdue but is proving to be very difficult, especially because it needs to happen alongside managing tight budgets and continuing to provide and improve services day-to-day.

- 4. Plans to kickstart economic growth must extend to Northern Ireland,** and Pivotal urges the Government to ensure that growth benefits all areas of the UK and all sections of the population.
  
- 5. Make the most of Northern Ireland's unique trading position.** The UK Government should work with the NI Executive to ensure the full benefits from NI goods exports having unique access to both the UK internal market and the EU single market. All need to be aware of the risks of political de-stabilisation from any increased divergence between the GB and NI.

**Ann Watt, Director of Pivotal, said: “The new Westminster government will have plenty of things to do, but Northern Ireland should be high up the list.**

**“It is vital that the UK Government maintains a close connection with Northern Ireland, to help sustain the Assembly and Executive – particularly to prevent any future breakdowns and any more periods without proper government. A strong relationship with the Irish Government will be important to this.**

**“Northern Ireland's finances need to be put on a sustainable footing. This means policy reform and fiscal responsibility from the Executive and Assembly – but also a proper funding deal on the future of the block grant that is realistic about local costs and the local level of need. As well as longer-term planning, immediate help to ease NI's dire budgetary position this year and its impact on public services will be important.**

**“Amidst those strained finances, the Executive faces an enormous task to deliver a step-up in the services the public experience, while at the same time transforming services to be fit for the future. Constructive support for the Executive, for example external expertise and assistance, would be very valuable.**

**“The new government says a strong economy that allows people to thrive is a key priority, and they must ensure Northern Ireland is part of those plans. There is a risk of growing economic inequality within the UK, with some areas**

**and people being left further behind. While many of the key policies driving growth are devolved, we encourage a strong partnership between the UK Government and the NI Executive.**

**“Finally, more should be done to capitalise on Northern Ireland’s unique position of dual-market access. The post-Brexit arrangements come with both potential advantages and potential challenges. For example, a revised veterinary agreement could have a significant positive impact on the flow of GB-NI agri-food trade. At the same time, the UK Government should keep a careful watch on the possible de-stabilising impacts of future divergence between the UK and EU.”**

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