

UK UPDATE

UK Update Issue 166

End of December 2023 - January 2024

Written by Tony Brown



The UK Update provides up-to-date information on UK-EU, and UK-Ireland relations, bringing together relevant statements and policy positions from key players in Ireland, the UK and the EU.

The Update is part of a wider communications programme covering the work of the IIEA's UK Project Group – including commentaries, speeches, texts and event reports – which are highlighted on the Institute's website. (www.iiea.com)

Introduction

2024 began with the Stormont impasse continuing to dominate. The year ahead will see a number of elections in Ireland and Great Britain and, possibly, a fresh Northern Ireland Assembly poll. The New Year messages from the Northern Ireland Parties reflect the deep frustration arising from the absence of a working Executive and from the evident budgetary and economic pressures highlighted in the protracted Hillsborough talks between the Secretary of State for Northern Ireland, Chris Heaton-Harris, and the Parties.

Section One: State of Play

Secretary of State, Chris Heaton-Harris Media Address at Hillsborough

Secretary of State, Chris Heaton-Harris spoke to the media on 19 December 2023 following the conclusion of talks with the Northern Ireland parties on the budgetary situation. Mr Heaton-Harris outlined that discussions have taken place over a number of days:

We asked the parties for their views and we have listened. Following a lot of discussions over the weekend and over the last few days this morning I brought forward a new plan that reasonably and generously responds to the parties concerns and provides Northern Ireland Ministers with an offer for a restored executive worth in excess of £3bn. This package provides solutions to many of the issues the parties have raised.

Mr Heaton-Harris noted that the package will remain available should the incoming Executive wish to take it up and added that: "This is a generous package but like any government, an incoming executive will have to make decisions on its priorities going forward. That will need to include, as part of this offer, increasing the revenue the executive

raises through its own powers.”

In relation to talks with the Democratic Unionist Party (DUP), Mr Heaton-Harris thanked the DUP for its cooperation and stated that: “From our perspective, those talks on all the issues of substance have reached a conclusion.”

According to Mr Heaton-Harris, the UK Government is willing to work with the DUP “[...] to introduce a package of measures that have been worked on together should the DUP reach a decision to proceed.” The Secretary of State made further comments on the importance of “locally elected and accountable MLAs” that should return to government on behalf of the people of Northern Ireland to negotiate and implement policies that will uphold and improve public services.

Mr Heaton-Harris concluded his remarks on a positive note while also making it clear that the UK Government remains committed to the Windsor Framework:

The financial package that is now before the parties would set Northern Ireland on a sustainable footing with a bright future ahead.

So to end, these financial talks have concluded and there is a financial package worth an excess of £3bn on the table should the executive be restored. From our perspective the Windsor Framework talks on all issues of substance have effectively concluded but we’re always, always happy to answer concerns and any questions on these.

The UK Government also stands ready to deliver on the outcomes of the Windsor Framework talks when the institutions are restored. It is now time for decisions to be made.

Secretary of State in the Belfast Telegraph

The Secretary of State for Northern Ireland, Chris Heaton-Harris, wrote in the *Belfast Telegraph* on 29 December 2023 about his hopes for a restored executive and what it could mean for Northern Ireland. Mr Heaton-Harris emphasised that Northern Ireland has been without a fully function Executive for 23 months now, and therefore the issues facing the public service have not been addressed.

The Secretary of State commented on the UK government’s proposed package worth £3 billion before the Christmas break and reiterated his disappointment that such an opportunity was not taken to return to a devolved government in Northern Ireland.

It’s a package that provides solutions to many important issues raised by the parties, including a new method for deciding how much money Northern Ireland receives from the UK Government; hundreds of millions of pounds of assistance for public sector pay; and over £1 billion to stabilise Northern Ireland’s public services.

It’s disappointing that the discussions concluded without the return of a devolved government in Northern Ireland, but this funding remains on the table for a returned Executive to take up on day one, and really would set Northern Ireland on a sustainable footing with a bright future ahead.

Mr Heaton-Harris stated that by 18 January he will have a legal duty to call for a new election at Stormont should the DUP continue to boycott a return to government. “I am considering all options carefully; however, I want Stormont to return as soon as possible so I am not treating this date as a target and will be relentlessly working with all parties to find a way forward”, he added.

In the article, Mr Heaton-Harris pointed out that 18 January is also an inflection point as thousands of public sector workers are set to go on strike. The Secretary of State claimed that a return to Stormont could prevent these strikes and

stop further disruption to the lives of people living in Northern Ireland. He elaborated on this, saying: “By getting back to work they will unlock the £584 million made available by the UK Government to address public sector pay. People in Northern Ireland expect and deserve devolved government back as soon as possible, to make use of the financial package we have put on the table.”

However, Mr Heaton-Harris reassured that in the absence of an Executive the UK government would continue to support the Northern Ireland Civil Service through “stabilising public finances and services via a sustainable budget”. Nevertheless, the UK Government accepts that there is a limit to their services without an Executive in place at Stormont:

[...] the financial package we have offered requires decisions on how to improve and modernise the public services and these must be taken by locally-elected politicians with the mandate to do so. It should not just be for local politicians to dispense funding from the UK government. They should take active and sometimes difficult decisions about where priorities lie, because they know the place and the needs of their constituents better than anyone else.

In conclusion, Mr Heaton-Harris stated his commitment to restoring a devolved government in Northern Ireland and maintaining the core principles of the Good Friday Agreement:

I will never stand down these efforts. I am confident the support that would be provided by the UK Government to an incoming Executive will allow the devolved institutions to be set up for success rather than failure. Now it is time for people in Northern Ireland to see those they elected back in place taking decisions on the issues that matter most to them. 2024 is the year when Northern Ireland’s potential could be completely unleashed - for that to happen Stormont needs to return.

Northern Ireland Budget Talks

Sinn Féin President Mary Lou McDonald has said it is time for the DUP to decide on whether it intends to return to power-sharing at Stormont. She spoke as a party delegation went into Hillsborough Castle for talks with Northern Ireland Secretary of State Chris Heaton-Harris on the terms of a financial package for a new Stormont Executive. £2.5bn (€2.9bn) was originally offered by the British Government for devolution to be restored, and following further talks a final £3.3 billion (€3.8 billion approx.) package was out on the table. The political parties were engaged in detailed talks on the terms for several days but the desired outcome – a decision by the DUP to end the boycott of the Stormont institutions – was not achieved.

As noted in the previous sections of this update, Chris Heaton-Harris thanked the parties for their constructive engagement over three days of intensive talks, indicating that the government had outlined a fair and generous package which could assist a returning Executive to stabilise its finances and protect public services. He made it clear that his officials would continue the dialogue with the parties on the key issues, “with the single focus of seeing the return of a locally elected and accountable devolved government.”

For the DUP, Sir Jeffrey Donaldson was also positive about interactions at Hillsborough, but was less clear on whether a return to Stormont will take place in the near future:

We are engaging with the government, I think we’ve made significant progress there over the last few weeks. In terms of where that process is, there are still some issues we are engaged with the government on but undoubt-

edly we are approaching the time when we will be able to examine where we have got to, the progress that has been made and perhaps come to some decisions. But as to the timescale on that, that depends on a number of things, that process is not yet completed. Very often it is the final stages of a negotiation that can be the most challenging and there are still matters that need to be finalised.

He further insisted that he did not “plan for failure” in the negotiations and that he continued to keep his party officers fully informed of what is happening in this process, since they would have a major input whenever the moment comes for a decision to be taken. He emphasised the importance of working out issues related to the Northern Ireland Protocol and restoring Northern Ireland’s place within the United Kingdom and its internal market. Sir Jeffrey also stated that “cross-community consensus” is necessary to ensure that power-sharing can work and concluded: ““I haven’t come this far to plan for failure, I am planning to get the outcome that we need, to see Northern Ireland on a sustainable footing.”

New Year Messages from the Northern Ireland Political Parties

The leaders of the Northern Ireland Parties issued their New Year Messages.

Democratic Unionist Party, Sir Jeffrey Donaldson

Leader of the DUP, Sir Jeffrey Donaldson released his New Year Message on 30 December 2023. His message reiterated the DUP’s view that harm was caused by the Northern Ireland Protocol and that there is a need for the restoration of Northern Ireland’s place in the United Kingdom and its internal market. Further to this, Sir Jeffrey also outlined the DUP’s “clear mission” , which is “[...] to uphold the integrity of the Union, within which we can make Northern Ireland prosper and succeed.”

The message also conveyed the DUP’s frustrations, stating that: “The Government knows what needs to be done to right the wrongs of what was imposed upon Northern Ireland without consent”. Adding to this, Sir Jeffrey made reference to the DUP’s decision to withdraw the Executive in February 2022 and reasserted that this was a last resort following “[...] repeated warnings [that] had not resulted in real or decisive action by the Government to deal with the Protocol.”

The message concluded by highlighting that the DUP remains determined to “secure long term solutions”. Sir Jeffrey stated: “[...] we will be led by securing the necessary conditions for long-term stability rather than a quick and rushed fix that would quickly fall apart.”

The full DUP message can be view [here](#).

Sinn Féin, Mary Lou McDonald

The leader of Sinn Féin Mary Lou McDonald released her message on 31 December. She began by mentioning the housing crisis in Ireland, the role for Ireland in securing peace in Ukraine and Palestine, and said that 2024 should be the year that Michelle O’Neill becomes the First Minister of the Executive at Stormont.

Ms McDonald also put forward the idea that 2024 should be the year that the Irish government “begins to plan for Irish re-unification”. For Northern Ireland, Ms McDonald said that peoples’ patience was running out in Northern Ireland, concluding that: “It’s decision time for the DUP. It’s time to move forward and form the Executive. It is time for positive leadership and delivery.”

The Sinn Féin message can be viewed [here](#).

Ulster Unionist Party, Doug Beattie

The leader of the UUP, Doug Beattie released his message on 29 December 2023. He began with a positive outlook and acknowledged the importance of upcoming elections in the UK, EU and possibly Ireland and their effects on Northern Ireland. Mr Beattie described the “drama” in Northern Ireland and expressed the UUP’s disappointment that there is still no Executive at Stormont: “Those calling for a continuation of the Stormont boycott until there is a Labour Government must realise nothing will change except a further decline in public services and unionist influence and representation.”

In his message, Mr Beattie made it clear that it is up to the DUP how the situation in Northern Ireland progresses. His message made clear that the UUP remains hopeful, and he concluded his message by saying that: “the future could be brighter if the right decisions are taken now. By making Northern Ireland work we provide for all its people, making them feel valued and delivering a sense of purpose.”

The full UUP message can be viewed [here](#).

SDLP, Colum Eastwood

The SDLP leader said he was hopeful that a devolved government could be restored early next year to address the “serious crises” affecting the people of Northern Ireland. Mr Eastwood’s New Year Message highlighted the willingness of most of the Parties to cooperate and to get Stormont running again. However, he also referenced the DUP in particular, stating they need to “get over themselves and get the deal done”.

The SDLP leader also drew attention to the SDLP’s “New Ireland” vision. SDLP MP, Claire Hanna, spoke to the IIEA last November on the prospects of achieving reconciliation through a “New Ireland.” You can watch the event recording [here](#).

Mr Eastwood called on the Irish Government to establish a forum “[...] for all shades of political and public opinion on our island to come together to discuss our future together”.

The full SDLP message can be viewed [here](#).

Alliance Party, Naomi Long

The Alliance Leader, Naomi Long, said the DUP needed to take the decision to restore the Assembly and Executive as soon as possible but that steps must also be taken to protect against similar collapses in future. Ms Long described 2023 as a “frustrating year” and also made reference to the ongoing public service crises. “As New Year approaches, we remain stuck in a rinse and repeat cycle of ransom politics,” she said.

Ms Long expressed disappointment that the DUP had rejected the £3 billion deal put on the table by the UK government and reflected on the consequences of the long absence of an Executive and Assembly. The Alliance Party Leader concluded that the people of Northern Ireland do not have the “luxury of time” and said: “There is nothing stopping the restoration of the Assembly and Executive now”.

The full Alliance Party message can be read [here](#).

Prime Minister's Questions, 13 December 2023

In the House of Commons, on 13 December 2023, Sir Jeffrey Donaldson expressed the concerns of Unionists on the issue of the Irish Sea border, which he said “disrupts the UK’s internal market”. He put the following question to UK Prime Minister, Rishi Sunak:

Will he bring forward legislation to amend the United Kingdom Internal Market Act 2020, and both guarantee and future-proof Northern Ireland’s unfettered access to the UK’s internal market in all scenarios?

The Prime Minister responded that the UK Government recognises the need for action on this issue, while also acknowledging that the restoration of an Executive at Stormont is essential to this.

[...] the Government do stand ready to legislate to protect Northern Ireland’s integral place in the United Kingdom and the UK internal market, alongside an agreement to restore the Executive. We can do this apace, and I know that my right hon. Friend and his colleagues are working hard to achieve that.

Tánaiste in London

The Tánaiste and Minister for Foreign Affairs, Micheál Martin, expressed guarded optimism for the potential restoration of Stormont following a meeting in London on 13 December 2023 with the UK’s recently appointed Foreign Secretary, Lord David Cameron.

“From what I’ve seen, progress has been made,” Mr Martin said. He was “hopeful” that the £2.5 billion financial package for Northern Ireland that had been offered by the British government at the time of the interview (later in the week a £3.3 billion deal was offered) could help smooth the way to the restoration of the Stormont Assembly and Executive.

The Foreign Secretary commented on the continued good relationship between the Irish and UK Governments to uphold peace and cooperation in Northern Ireland:

Thirty years ago this week the UK and Ireland signed the Downing Street Declaration, a historic agreement that set us on the path to peace. Today we continue to work together to support peace and prosperity in Northern Ireland. [It was] Great to host Tánaiste Micheal Martin at Carlton Gardens.

Section Two: The Evolving Debate

Opinium Poll on Brexit, 30 December 2023.

The Guardian reported the results of the *Opinium* poll on UK attitudes to Brexit, carried out to mark the third anniversary of the UK leaving the EU single market and customs union.

The poll revealed that “A clear majority of the British public now believes Brexit has been bad for the UK economy, has driven up prices in shops, and has hampered government attempts to control immigration.”

The survey had over 2,000 respondents, and highlighted that a very low number of people in the UK think Brexit benefited them or their country.

The main findings of the poll indicated that “10% of UK voters believe leaving the EU has benefitted their personal financial situation, against 35% who say it has been bad for their finances. No more than 9% say Brexit has been good

for the NHS, against the 47% who say it has had a negative effect". In addition to this, "7% of people think it has helped keep down prices in UK shops, against 63% who think Brexit has been a factor in fuelling inflation and the continuing cost of living crisis."

The poll demonstrates that overall British voters consider Brexit as a failure, with less than 22% of voters who believe it has been beneficial to the UK's economy.

James Crouch, head of policy and public affairs at *Opinium*, and Robert Ford, professor of political science at Manchester University both gave their input on the poll findings. Overall, they found that negative perceptions of Brexit appeared to be spreading, but that it would not be a major influencing factor on who the public will vote for in the upcoming general election.

The full article and the *Opinium* poll's finding can be viewed [here](#).

William Keegan in the Guardian

The Guardian published a view from William Keegan on 24 December 2023, entitled: *What the UK wants for Christmas is to get Brexit undone*. In the article, Mr Keegan reflected on the numerous negative impacts of Brexit, including its effects on international trade, freedom of movement within the EU and particularly on UK GDP.

Mr Keegan referred to one of the main problems with the aftermath of Brexit as the "the entire lying Johnson-inspired rationale", describing the proposed major trade deal with the US which is yet to materialise. The author, considers these impacts to be "distressing social ills for a future Labour government to address" and suggests that Labour's new slogan should be "Get Brexit undone!"

William Keegan's full comments can be found [here](#).

Gavin Esler in the Irish News, 1 January 2024

In a recent cynical article for the *Irish News*, Gavin Esler expressed his opinions of the work of Prime Minister Rishi Sunak and his Government. The article highlighted the lack of progress on public service crises in the UK, along with issues surrounding migration policy and the long-awaited trade deal with the US.

At last! Tidings of comfort and joy! That's because the accident-prone government of Rishi Sunak has actually found a problem it can solve. Let the bells ring out!

Of course, it's not a real problem most of us would recognise. It's not – for example – solving child poverty, the unaffordability of decent housing, crippling mortgage rates or the post-Brexit Stormont stalemate. Nor has the UK government actually deported anyone to Rwanda or signed a trade deal with the United States, or brought peace to the Middle East or even improved the UK's relationship with the European Union.

But now – thanks to a Sunak government in-depth "review" of Brexit – you and I and millions of others will be able to buy prosecco and champagne in pint bottles.. I know, I know! It's an amazing breakthrough. At a stroke Rishi Sunak will end the misery of millions for whom a whole bottle of Cava or fizz is too much.

Mr Esler ended his piece on a more serious note: "On the brink of an election year, maybe – just maybe – British voters might be persuaded to think more about the future. It's about time."

You can view the *Irish News* article [here](#).

Section Three: Background Material and Further Reading

Background Material

GOV.UK Secretary of State: Returning Executive can unleash Northern Ireland's potential, *Belfast Telegraph*, 29 December 2023. <https://www.gov.uk/government/news/secretary-of-state-returning-executive-can-unleash-northern-irelands-potential>

GOV.UK Statement by Secretary of State at Hillsborough Castle, 19 December 2023. <https://www.gov.uk/government/news/secretary-of-state-statement-at-hillsborough-castle-19-december>

DUP New Year Message from Sir Jeffrey Donaldson. <https://mydup.com/news/new-year-message-from-sir-jeffrey-donaldson>

Sinn Fein New Year Message from Mary Lou McDonald. <https://vote.sinnfein.ie/lets-make-2024-the-year-of-change-mary-lou-mcdonald/>

UUP New Year Message from Doug Beattie. https://www.uup.org/new_year_message_2024

Alliance Party New Year Message from Naomi Long. https://www.allianceparty.org/a_new_year_message

Belfast Telegraph NI parties issue their New Year messages. <https://www.belfasttelegraph.co.uk/news/politics/we-just-want-stormont-to-return-ni-parties-issue-their-new-year-messages/a1661080173.html>

Hansard Prime Minister's Questions, 13 December 2023. <https://hansard.parliament.uk/commons/2023-12-13/debates/477003B4-A46F-49A7-9F73-8467DA2C2A7F/Engagements>

Irish Times Tanaiste discusses Stormont, Gaa and Ukraine in London meeting with Cameron. *IT*, 13 December 2023. <https://www.irishtimes.com/politics/2023/12/13/tanaiste-discusses-stormont-gaza-and-ukraine-in-london-meeting-with-cameron/>

Irish Times DUP approaching time to make decisions on return to powersharing, Donaldson says. *IT*, 14 December 2023. <https://www.irishtimes.com/politics/2023/12/14/dup-approaching-time-to-make-decisions-on-return-to-powersharing-donaldson-says/>

Irish Times Northern Ireland talks which could lead to restored Stormont Assembly to continue into next week. *IT*, 13 December 2023. <https://www.irishtimes.com/politics/2023/12/13/northern-ireland-talks-which-could-lead-to-restored-stormont-assembly-to-continue-into-next-week/>

Belfast Telegraph "I haven't come this far to plan for failure". DUP edging closer to decision on Stormont return. *Belfast Telegraph*, 14 December 2023. <https://www.belfasttelegraph.co.uk/news/politics/i-havent-come-this-far-to-plan-for-failure-dup-edging-closer-to-decision-on-stormont-return/a2137699211.html>

Belfast Telegraph Suzanne Breen. History repeats itself as Sunak seeks the rarest of miracles – good news from Northern Ireland. *Belfast Telegraph*, 14 December 2023. <https://www.belfasttelegraph.co.uk/opinion/columnists/suzanne-breen/history-repeats-itself-as-sunak-seeks-the-rarest-of-miracles-good-news-from-ni/a1074948812.html>

The Guardian William Keegan What the UK wants for Christmas is to get Brexit undone. *Guardian*, 24 December 2023. <https://www.theguardian.com/business/2023/dec/24/what-the-uk-wants-for-christmas-is-to-get-brexit-undone>

The Guardian Brexit has completely failed for UK, say clear majority of Britons – poll. *Guardian*, 30 December 2023. <https://www.theguardian.com/politics/2023/dec/30/britons-brexit-bad-uk-poll-eu-finances-nhs>

Belfast Telegraph Alex Kane. Great Expectations to Bleak House in a week but when the dickens will DUP stop dithering. *Belfast Telegraph*, 22 December 2023. <https://www.belfasttelegraph.co.uk/opinion/news-analysis/great-expectations-to-bleak-house-in-a-week-but-when-the-dickens-will-dup-stop-dithering/a173991794.html>

Newsletter. Owen Polley. The Protocol is the biggest of many problems for Unionists in 2024. *Newsletter*, 1 January 2024. <https://www.newsletter.co.uk/news/opinion/columnists/owen-polley-the-protocol-is-the-biggest-of-many-problems-for-unionists-in-2024-4462098>

Irish News Rejoice the British Government has actually found a problem it can solve – Gavin Esler. *Irish News*, 1 January 2024. <https://www.irishnews.com/opinion/rejoice-the-british-government-has-actually-found-a-problem-it-can-solve-gavin-esler-746VW43UGVAVVPVCGCHW7EXZ44/>

Further Reading

Gavin Esler *Britain Is Better Than This*. Head of Zeus.

UK UPDATE

The Institute of International and European Affairs (IIEA) is Ireland's leading international affairs think tank. Founded in 1991, its mission is to foster and shape political, policy and public discourse in order to broaden awareness of international and European issues in Ireland and contribute to more informed strategic decisions by political, business and civil society leaders.

The IIEA is independent of government and all political parties and is a not-for profit organisation with charitable status. In January 2021, the Global Go To Think Tank Index ranked the IIEA as Ireland's top think tank.

© Institute of International and European Affairs, January 2024

Creative Commons License

This is a human-readable summary of (and not a substitute for) the license.

<https://creativecommons.org/licenses/Attribution-NonCommercial-ShareAlike/4.0/> 4.0 International (CC BY-NC-SA 4.0)

You are free to:

- Share - copy and redistribute the material in any medium or format
- Adapt - remix, transform, and build upon the material
- The licensor cannot revoke these freedoms as long as you follow the license terms.

Under the following terms:

Attribution — You must give appropriate credit, provide a link to the license, and indicate if changes were made. You may do so in any reasonable manner, but not in any way that suggests the licensor endorses you or your use.

NonCommercial — You may not use the material for commercial purposes.

ShareAlike — If you remix, transform, or build upon the material, you must distribute your contributions under the same license as the original.

No additional restrictions — You may not apply legal terms or technological measures that legally restrict others from doing anything the license permits.



The IIEA acknowledges the support of the Citizens, Equality, Rights and Values programme



The Institute of International and European Affairs,

8 North Great Georges Street, Dublin 1, Ireland

T: +353-1-8746756 F: +353-1-8786880

E: reception@iiea.com W: www.iiea.com