Brexit: Global and Political Affairs Unit Briefing

24 July 2019

Summary

Boris Johnson was elected as Conservative Party leader yesterday and will be appointed Prime Minister today. During the leadership campaign, Mr Johnson’s stated preference was for the UK to leave the EU with an agreement in place, but he also committed to the UK leaving the EU on 31 October “come what may”. Mr Johnson has ruled out compromise on the Irish ‘backstop’ issue and/or close alignment with EU rules, whilst remaining committed to maintaining the Union between Great Britain and Northern Ireland. This makes reaching an agreement with the EU that can command majority support in the House of Commons unlikely, increasing the possibility of a ‘No Deal’ Brexit. The government holds an increasingly small majority in the Commons which, combined with opposition to a ‘No Deal’ Brexit in Parliament, makes a General Election an increasing possibility. MPs are attempting to prevent Mr Johnson bypassing Parliament to pursue a ‘No Deal’ Brexit but that remains the default position in law. The University’s Global & Political Affairs Unit explores what might happen next. Further information is also posted on the University’s Brexit Information Hub.

What is likely to happen now?

Mr Johnson has said he wants to leave the EU with a deal agreed. The government’s working majority in Parliament has been reduced to just two following a series of defections, with the possibility it will be reduced to one as a result of a by-election to be held on 1 August. Routes to a revised deal that can command a Parliamentary majority look unlikely to succeed but include:

- **Removing the Irish ‘backstop’ or seeking assurances that it will not be permanent:** This approach was repeatedly tested by Theresa May’s government; however the EU has been clear it will not remove the backstop from the Withdrawal Agreement. Mr Johnson could ask the EU to give assurances that it does not want the backstop to be permanent, for example, by agreeing to a timetable for examining whether parts of the backstop needed to stay. However, Mr Johnson ruled this out during the leadership contest, stating his policy would be “no to time limits or unilateral escape hatches or these kind of elaborate devices, glosses, codicils and so on which you could apply to the backstop”. It is also doubtful whether such agreement would win over support from enough MPs to secure backing for the deal.

- **Revising the Political Declaration on the future UK-EU relationship:** The EU has said it is open to revising this non-legally binding part of the agreement (as opposed to the international treaty, the Withdrawal Agreement ‘divorce deal’). For example, the declaration could be amended to spell out that the future relationship could be a Canada-style free trade agreement. But since such an arrangement would mean no single market or customs union, it would necessitate the Irish backstop, which Mr Johnson has indicated is not an area for compromise.

- **Agreeing to a much longer “standstill transition”**: In order to claim the backstop would not be needed, Mr Johnson could agree a much longer “standstill transition” period, during which the UK would negotiate a free trade agreement with the EU and fix the Irish border issues. This would be an extension of the transition period provided for in the Withdrawal Agreement, scheduled to run to December 2020 with the possibility of a two-year extension. During the transition period, the UK would continue to apply EU law, with a few exceptions, as if it were a Member State. But the UK would have no institutional representation and no role in decision-making. The EU institutions and other bodies, offices and agencies would continue to exercise their powers under EU law in relation to the UK. The Court of Justice of the EU would have jurisdiction in relation to the UK and to the interpretation and application of the Withdrawal Agreement. A prolonged period of EU control without representation like this is unlikely to command majority support in the Commons.

- **A Northern Ireland-only backstop:** The EU’s original proposal for the ‘backstop’ was a Northern Ireland-only backstop, keeping the Northern Ireland economy aligned with the EU
but leaving Britain free to do trade deals with others. This would mean customs controls across the Irish Sea, threatening the Union of the United Kingdom. This would be anathema to the government’s confidence and supply partners, the Democratic Unionist party, and so would also be unlikely to secure majority backing in Parliament. It would risk the peace process in Ireland and risk the collapse of the government.

Mr Johnson has made no indication he will pursue changes to the agreement with the EU that would appeal to Labour MPs, such as close alignment with EU rules going forward and/or a customs union.

Whether or not a revised deal can be agreed and ratified, Mr Johnson has committed to taking the UK out of the EU by 31 October. This increases the chances of a ‘No Deal’ Brexit, which remains the default position in law. Leaving the EU without a deal does not have majority support in Parliament and MPs, including several high-profile figures who served in Mrs May’s government, have committed to preventing it at all costs. One such measure, designed to stop a Johnson government suspending Parliament in order to pursue a ‘No Deal’ Brexit, will require Parliament to be recalled to debate political progress in Northern Ireland between October and December. Though this will be enshrined in law imminently, it does not, of itself prevent the UK leaving the EU without a deal.

Incoming European Commission President Ursula von der Leyen, who takes office the day after the UK is scheduled to leave the EU (1 November), has said she would support an extension to the Article 50 negotiating period for “good reasons”. These could include securing ratification of the Withdrawal Agreement or for a democratic process to take place, like a General Election or second referendum.

There is currently no parliamentary majority for a second referendum, and most of the Conservative opponents of a ‘No Deal’ Brexit in the Commons have said they would not be prepared to bring down a Johnson government triggering a General Election in order to achieve their aim, although this may change as the October 31 deadline approaches.

A General Election remains possible, despite the major parties’ poor performance in the opinion polls, given the size of the government’s current majority – a factor that will influence EU negotiators’ propensity to compromise, as well as the ability of a Johnson government to govern – and MP opposition to a ‘No Deal’ Brexit. A General Election can be called when a motion for such is agreed either by at least two-thirds of MPs or if no new government can be formed within 14 days of a motion of no confidence, backed by a simple majority of MPs.

**What will this mean for the University of Nottingham?**

The political situation is highly volatile, although it is unlikely MPs will move to bring down the new government before Parliament goes into recess on 25 July (returning on 3 September). In the meantime, the legal framework within which the University operates remains the same. The chances of leaving the EU without a deal are increased under a Johnson government and the University is stepping up preparations accordingly.

**What will the University of Nottingham be doing?**

The University is stepping up its no deal preparations in advance of the October 31 deadline.

- **Preparing for No Deal**

  The University is stepping up its preparation for the UK leaving the EU without a deal, primarily via the No Deal Incident Management Team, chaired by Registrar Dr Paul Greatrix.

  The team has been monitoring developments to manage University operations in the event of no deal, and has identified ‘Brexit Contact’ staff in each area of the University to manage local impacts. This includes ensuring the preparedness of our supply chains to continue to provide research materials, goods and services; continuity of travel arrangements to the continent and associated insurance issues; and contractual and legal issues in the event of a no deal.
The team is now moving to scenario planning and briefing colleagues across the University.

- **Communications**

To ensure Brexit Contacts and the wider University has clear and accessible information and advice in the event of 'No Deal', we will use the Brexit Information Hub on our webpages as the principle repository for information. The hub has dedicated sections for staff, students, and researchers and will be regularly updated as information becomes available. The hub will also host a Q&A section which will be updated with questions and answers as they arise.

In the event of a No Deal scenario, clearly, events may be fast-moving leading to questions from staff and students. We will provide briefings and updates via email cascades to Brexit Contacts, Heads of School and Professional Services departments. Students will receive relevant information via their fortnightly newsletter and social media channels. In all events, the same information will be presented on the Brexit Hub.

If you have a question or require advice, please study the Brexit Hub and its Q&A initially. Should you require further information, please get in touch with the relevant Key Contact listed below or email the EU-Task Force mailbox.

- Procurement enquiries: angela.porter@nottingham.ac.uk
- Staff Issues (inc Settled Status): hrbrexitadvice@nottingham.ac.uk
- Research & Innovation: matthew.rackley@nottingham.ac.uk

- **Reassurance and support for our EU staff**

The EU Settlement Scheme enables EU citizens to apply for either settled or pre-settled status (for those who’ve been here fewer than five years), allowing them to continue living in the UK post-Brexit. The University of Nottingham has 800 staff who are EU citizens. The scheme is open and applications are free. People who have paid an application fee during the test phases will receive a refund. HR-related Brexit questions can be directed to hrbrexitadvice@nottingham.ac.uk.

The Vice-Chancellor hosted the University of Nottingham European Staff Celebration event on 19th March to celebrate the contributions of our European colleagues, recognising this is an extremely worrying time. Read more about the event here.

- **Guaranteeing research funding**

Colleagues in the University’s Research and Innovation department have registered all EU-funded current projects with UKRI so they can be covered by the UK government’s underwrite, intended to keep projects running in the event of a no deal Brexit. Research and Innovation are also standing by to perform the financial and contractual management tasks that will facilitate the underwrite, should it come into play. Read more about the government underwrite here.

- **Guaranteeing Erasmus+ after Brexit**

The University of Nottingham is proud to have one of the largest Erasmus+ student mobility programmes in the UK. The government has assured universities it is working on the basis of the UK remaining a participating country in the Erasmus+ programme. However, in the event of a ‘No Deal’ Brexit, the government has only confirmed it will underwrite the UK’s participation in European based student mobility for the 2018/19 academic year. The Office for Global Engagement is in the process of registering with the government to claim this funding.
In the potential absence of government funding beyond 2018/19 (in the event of no deal), the University will continue to underwrite outgoing student mobility programmes to the EU and Erasmus+ partners for the next three years to 2021/22. More information here.

- **Looking beyond Brexit**

  The University’s *EU Taskforce* provides strategic direction for the University to prepare for and navigate a post-Brexit environment. Chaired by Deputy Vice-Chancellor Andy Long, and reporting to the University Executive Board, it is modelling scenarios and developing approaches to ensure the University continues to thrive post-Brexit in terms of its student recruitment, research partnerships, funding and grants, and evolving its global outlook.

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