Brexit: Global and Political Affairs Unit Briefing

5 April 2019

Summary

The UK is set to leave the EU in a week (April 12) without a deal unless an extension to the Article 50 divorce process is approved by EU member states. The Prime Minister has today written to European Council President Donald Tusk requesting an extension to 30 June 2019. In order to avoid no deal, the Prime Minister must request a long extension and prepare the UK to hold European Parliamentary elections on 23 May, as per the EU’s condition. She will then seek to cancel the European elections, if a deal can be agreed before polling day. The EU has suggested it would agree to a flexible extension of up to a year, terminable on ratification of a Withdrawal Agreement. To get agreement for a deal, the Prime Minister has invited the leader of the Opposition, Jeremy Corbyn, to talks, seemingly abandoning her strategy of securing majority support for her deal with Conservative and DUP votes in the Commons. The leader of the Opposition will demand a closer future relationship with the EU, including but not limited to a permanent customs union. It is not clear whether he will also ask for a confirmatory vote (second referendum) on any deal agreed. He is under considerable pressure to do so from within the Labour party, though he remains personally sceptical of the idea. A cross-party Bill designed to prevent no deal by requiring the Prime Minister to seek an Article 50 extension of a length determined by MPs, was agreed in the Commons on Wednesday by a narrow margin. The Bill remains to be approved by the Lords after Eurosceptic Peers attempted to frustrate its progress on Thursday. The Bill was intended to ensure the Prime Minister honours her commitment to seek an extension, and that it is made in time to avoid us leaving with no deal. The delay means the Prime Minister has made her request for an extension before the Bill is passed. It’s unclear what the law, if approved, will require in terms of MPs approving what is proposed by/agreed with the EU.

Background

In a statement to the nation on Tuesday evening, the Prime Minister announced she was offering to meet Jeremy Corbyn, Leader of the Opposition, to find a way forward - an offer Mr Corbyn has accepted. She stated the talks will focus on the Political Declaration on the Future Relationship between the UK and the EU, rather than the legally binding Withdrawal Agreement, which details the arrangements for the UK’s departure. The Prime Minister also stated that in the event the leaders cannot agree a single unified approach, they would instead agree a number of options for the Future Relationship to be put to the House of Commons a series of votes to determine which course to pursue. She said the Government stands ready to abide by the decision of the House, a shift from her previous position. I

The Prime Minister stated there will need to be a further extension of Article 50, to give time to pass a deal and have the legislation in place to implement the deal before May 22, so that the UK need not take part in European Parliamentary Elections. However, the cut off for amending the necessary domestic legislation to take part in those elections is 12 April. The Prime Minister has subsequently written to European Council President Donald Tusk requesting an extension to 30 June, committing to putting in place the necessary framework for European elections to take place, with a view to cancelling them if agreement is reached before polling day (23 May). The EU has indicated an extension of up to a year, terminable on ratification of a Withdrawal Agreement, would be possible.

The Prime Minister’s approach suggests she will attempt to win majority support for a deal with Labour votes in the Commons, rather than Conservative and DUP votes as has been her strategy to date. This would mean committing to a closer future relationship with the EU, possibly involving some sort of permanent customs arrangement and/or commitment to keep pace with European environmental standards and workers’ rights, although such a commitment would not be legally binding and may be unpicked by successor governments.

Labour leader Jeremy Corbyn is under significant pressure to demand a confirmatory vote (second referendum/People’s Vote) on whatever deal is agreed, a proposal he is personally sceptical of. With Chancellor Phillip Hammond describing a second referendum a “perfectly credible proposition”, it is clear the proposal is at least being discussed.
It is important to note, however, that discussions so far have not resulted in any decisions being taken, and the Prime Minister may use the threat of talks resulting in a ‘softer Brexit’ to exert pressure on MPs to back her deal in a fourth vote. In any event, two junior government Ministers resigned following the Prime Minister’s announcement she would engage with the leader of the Opposition. It is expected more will follow should the Prime Minister agree to a closer future relationship with the EU, for example including a customs union, or to procedural measure like committing to a second referendum/people’s vote.

In Parliament on Wednesday, MPs agreed by a margin of one vote (313 for, 312 against) to the final reading of a Bill designed to require the Prime Minister to ask the EU for an extension of the Article 50 negotiating period, of a length determined by a majority of MPs in the Commons. The Bill was proposed by a cross-party group of MPs, led by former Minister Yvette Cooper MP (Lab) and Sir Oliver Letwin MP (Cons). It is designed to prevent a no-deal Brexit on April 12, hence its rush through Parliament. A number of MPs voted against the Bill arguing it is unnecessary in light of the Prime Minister’s commitment made on Tuesday evening to ask for a short extension to agree and implement a deal.

The Bill was slowed down when it was debated in the House of Lords on Thursday. Eurosceptic Peers ‘filibustered’, proposing amendments relating to the process the Bill should go through and forcing votes to pass the time, preventing the substance of the Bill from being debated. On Thursday evening, Peers reached a compromise agreement to begin debating the substance of the Bill that evening and complete the process on Monday. This has meant the Prime Minister has already made her extension request of the EU, before the Bill has become law. It is unclear what will be required of the Prime Minister if the Bill now passes next week, given the EU may make a counter-offer.

A proposal put forward by Labour former Minister Hilary Benn MP on Wednesday that would have seen MPs take control of the Parliamentary agenda once more to stage further ‘indicative votes’ on possible ways forward on Monday 8 April was tied, with the House of Commons Speaker casting the deciding vote in favour of the status quo, as is convention. This is the first tied vote in the Commons in 26 years, indicating the level of division in this Parliament over Brexit.

What is likely to happen now?

The default position is that the UK leaves the EU on 12 April, without a deal in place. The Prime Minister has requested an extension to 30 June, which EU heads of state will consider at an emergency summit on 10 April. It is likely they will make a counter offer of a longer extension, with the possibility of termination on ratification of a Withdrawal Agreement, in order to avoid repeat short extension requests from the UK.

The chances of the Prime Minister and the leader of the Opposition reaching agreement are low, given the deep divisions and mistrust on all sides of the House of Commons. If they do reach agreement, or if the House of Commons gives majority backing to one of the options that arise from the discussions, it is possible there will be further government resignations from Ministers wanting a looser future relationship with the EU, and the capacity for the Prime Minister to govern may be called into question.

It is unclear how the insurance attempts to require the Prime Minister to get MPs’ consent for her Article 50 extension request will work, especially given Parliament can only bind the government in seeking an extension from the EU (which has now already been done), it cannot negotiate on the country’s behalf.

A General Election remains possible to break the impasse – called either by the Prime Minister, requiring two thirds of MPs to support it, or her opponents staging a no confidence vote in the government, which would need a simple majority to pass.

What will this mean for the University of Nottingham?

These events yet again prolong uncertainty. It possible the UK could leave the EU without a deal in place on 12 April, meaning the University along with the country could face significant disruption. If a longer extension is agreed, and no agreement reached, European elections will take place on 23 May, open to all EU citizens.

What will the University of Nottingham be doing?
The University is further stepping up its no deal preparations to include scenario planning and involving a wider group of colleagues.

- **Preparing for No Deal**

  Given this is the default position in law, in the absence of an alternative course of action being pursued, the University is stepping up its preparation for the UK leaving the EU without a legal framework in place (‘no 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 scenario. 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 now 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 after 29th March 2019. 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. In the potential absence of government funding beyond 2018/19, therefore, 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.

**Further reading**

- The Prime Minister’s letter to President Tusk 5 April 2019

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