

Brexit Deal Agreed !

Or is it?

The announcement that a deal had been reached between the UK and EU for the departure phase of the Brexit saga was met with an increase in Sterling and FTSE share prices and (in general) positive comments from the business community.

This was perhaps a little premature given that, just like the UK population, the UK cabinet and all parties in the UK are divided, pretty much 50:50 on whether they regard Brexit as the best thing ever for the UK or something akin to the start of a new dark age (and every nuance in between).

So what does the deal say? There are 585 pages of it but in essence the UK will stay in the Customs Union for the transition period of two years and this may be extended for an as yet undetermined period. Northern Ireland may (after the two years) be kept in a closer link to the Union than the rest of the UK if a better agreement has not been reached and the UK cannot unilaterally get out of this.

It was no surprise to anyone in the UK watching events at Westminster and keeping abreast of comments from various politicians that when Theresa May went to her cabinet to secure their backing the meeting lasted an almost unprecedented 5 hours or so before it was announced there had been agreement. The day after, (15th November) the resignations from the cabinet started at 9 am with the Brexit minister Dominic Raab resigning followed swiftly by the work and pensions minister Esther McVey. There were then two further resignations by other ministers.

In the House of Commons, Mrs May faced a hostile reaction from Brexiteers in her own party, the DUP and the opposition party, along with virtually every other party. Letters of no confidence in Mrs May's premiership/leadership of the Conservative party have started to come in and a no confidence vote is a real possibility in the next few days.

Patrick King, Tax Partner from MHA MacIntyre Hudson, the UK member firm of the Baker Tilly International Network stated "Is this therefore Brexit Armageddon? Well maybe. Mrs May has however proved herself to be a tough and determined politician who has already survived crises which would have brought down a lesser person. Like her or not, agree with her or not, it is hard to fault her determination that her cause is the correct path. I for one would not write her off just yet."

King added "As far as business is concerned the uncertainty will continue for a while longer and all we really want is a deal, whatever it might be so that we can get on with it. I believe there will be one, let us hope so, but the press reports and chaos in Westminster has a few stages to run yet."

Patrick King, PARTNER bij MHA Macintyre Hudson (member of Baker Tilly network)