

# NEWS BRIEF

Presented by **Crendon Insurance Brokers Ltd**

## High Court Rules That Parliament Must Vote on Brexit

On 3rd November, the High Court ruled that Parliament must vote on whether the government can begin the process of leaving the EU. This means that the government cannot trigger Article 50 of the Lisbon Treaty—the mechanism needed to initiate formal exit negotiations with the EU—without involving MPs and peers.

Prime Minister Theresa May has said that the referendum and the Crown Prerogative powers (the powers held by the monarch or by government ministers that may be used without the consent of the Commons or Lords) mean she does not need MP votes to invoke Article 50. However, the ruling states, 'the Government does not have power under the Crown's prerogative to give notice pursuant to Article 50 for the UK to withdraw from the European Union'.

With the power to decide the shape and direction of Brexit negotiations potentially now in the hands of Parliament, May's established Brexit timeline to trigger Article 50 by the end of March 2017 has been momentarily stalled.

### **What Does This Mean for Brexit?**

The government will appeal the decision to the Supreme Court, with a hearing scheduled for 7th-8th December. Unless the High Court's ruling is overturned, the Brexit process will likely be subject to full Parliamentary control.

As a result of Brexit requiring Parliamentary approval, MPs would conceivably have the ability to introduce amendments to Brexit legislation or even block it entirely. However, in the interim, May intends to continue adhering to her original timeline.

Anti-Brexit campaigners hail the ruling as a victory toward more transparency and accountability to Parliament on the terms of Brexit, giving Parliament the opportunity to debate the issues surrounding

Brexit. Meanwhile, pro-Brexit campaigners worry that this is the first step toward a diluted 'half-Brexit'.

Regardless of the Supreme Court's decision, employers should understand how Brexit affects their business and which final Brexit negotiations would be most ideal for their business.

### **How Does This Affect Me as an Employer?**

No one is certain how Brexit will proceed until after the December hearing, but you can start understanding how a 'hard' Brexit (distant relationship with the EU) or a 'soft' Brexit (closer relationship with the EU) would impact your business by asking yourself the following:

- What aspects of EU membership are most important to my business?
- How much of my business comes from the EU, and how does Brexit affect my supply chain?
- If we lose freedom of movement within the EU, will that hurt my business?
- Does reduced EU legislation help or hurt my business?
- Which Brexit outcome is best for my business?

If Brexit is subject to Parliamentary approval, knowing which aspects of Brexit are most important to your business may provide you with an opportunity to lobby your MP or a member of the Lords with your specific Brexit concerns. For more information about lobbying Parliament, click [here](#).

Even though this ruling's effects are still unknown, Crendon Insurance Brokers Ltd will make sure that you have the most effective cover to shield against uncertainty. For more help, contact us today.

