#### What should the Prime Minister do now?

The Prime Minister needs to understand that her Agreement cannot pass the Commons. All the Opposition parties oppose it. The DUP hate it. Around 100 Conservative MPs have stated in public they do not agree with it.

A substantial number of those MPs might change their vote on the Agreement if the Northern Ireland backstop were removed completely, or if there was an unambiguous and straightforward way for the UK to end it unilaterally once imposed. Whilst the vote on the Agreement would then be narrower, there would still be a substantial group of Conservative MPs who would oppose the Agreement for wider reasons often set out here. The Prime Minister ignores these other problems – the large sum of money committed for nothing, the indeterminate period left in the customs union, the vulnerability of our economy to new laws and regulations that could hurt us – all summed up as the opposite of the Leave we voted for. She assumes she could get practically every DUP and Conservative MP to change their minds.

She also assumed in the Confidence Vote meeting that the EU will offer some legally binding text which does scupper the Backstop. That looks extremely unlikely, given the stance of the EU so far. If we assume they are not bluffing when they say they will not re open the Withdrawal Agreement text it is difficult to see any reassurance or political declaration about the Backstop persuading the DUP and other critics, as what matters is the law as written rather than statements of how a future EU might behave. One of the problems with that is the imminent European Parliament elections and a new Commission, so what is the value of any promises by the current set up?

I have the following questions for the PM

What legal text have you tabled to remove the Backstop? Will you share it with us as we might agree with it?

What indications if any are there that the EU will moderate its stance and resume talks about legal change to the Backstop part of the Agreement?

If there is no new text and no prospect of talks to change this draft law, how do you envisage getting the DUP back on board to support the government?

If the DUP remain largely detached, how can the government proceed with its wider programme of work?

What action if any are you taking to deal with the other large problems with the Agreement as around 400 MPs see it?

If there are no good answers to these questions, then the PM should come to the Commons and announce that unfOrtunately the Agreement cannot be fixed so she is withdrawing it. She should then return to the EU and discuss the best way to proceed to exit, with accelerated work on the various agreements it would be nice to have to make it easier for both sides. She should finally get round to tabling a Canada style free trade agreement and set out again how the Northern Ireland/Republic of Ireland border can be handled much as now. This present currency, Excise, VAT and anti terrorist border could also be a customs and regulatory border, with most of the checks done well away from the border and the information shared electronically in advance of the border crossing. Managed exit without a Withdrawal Agreement is what most Leave voters want, given the penal and one sided nature of the Withdrawal Agreement.

# <u>The West Berkshire Council settlement</u> <u>– spending power up by 4.2%</u>

I lobbied the Minister on behalf of West Berkshire as well as Wokingham, and urged the case for more money for local services and priorities. During the year we got extra money for social care and potholes. In the settlement for 2019-20 the Council will get a boost of 4.2% to spending power, compared to the England average of 2.8%, and a useful increase over inflation.

## <u>The Wokingham local government</u> <u>settlement – spending power up 6.3%</u>

I have been working hard on the issues around money for local services in Wokingham. During this year I have welcomed favourable responses to requests on potholes and road maintenance, and on social care, where there were particular pressures.

I argued for two main improvements in overall funding for Wokingham for 2019-20. First, I wanted to continue with the business rate retention pilot we have benefitted from this year. The government has confirmed we can do so. Second, I wanted to eliminate the threat of negative grant, and ensure a decent level of settlement for the overall budget.

Yesterday in his statement the Secretary of State said he

"intends to directly eliminate the £152.9m negative rate support grant in 2019-20 using foregone business rates. This will prevent any local authority being subject to a downward adjustment"

As a result Wokingham will see one of the largest increases in spending power, with a gain of 6.3% compared to the England average of 2.8%. I look forward to seeing the improvements in services and the good value Council Tax

### <u>Update on Mrs May</u>

Since I wrote this piece it has become clear that the EU is not in the business of re-opening the Agreement at all. They have also moved away from offering more formal reassurances which seemed to be on offer in draft. Instead more of them saying the disagreement between the Commons and the Prime Minister on the Agreement is another reason to need the backstop insurance. The Prime Minister has changed her language back to reassurances from legal changes.

It is difficult to see the DUP coming back on b0ard given the lack of any legal text to remove the backstop. Were there to be a change of heart by the EU in the new year on this matter, there are still considerably more Conservative MPs than the government majority with the DUP who oppose the Agreement for a wide range of reasons including sending them too much money, delaying our exit without a clear end date, and putting us under EU rules for an indeterminate period with no vote or voice on what new burdens and requirements they might impose.

### Mrs May's position

On Wednesday Mrs May gained 63% support from Conservative MPs, or as Jacob Rees Mogg points out lost the support of around 70% of all those MPs who do not have some job granted to them by her. This assumes all those who express public loyalty to her in office voted accordingly. I imagine most of them did. Most of those who could not do so have already resigned.

Earlier in the day it appeared that her team was worried about the vote. She therefore changed her position on two important matters. She told us she no longer planned to lead the party into the next General election, assuming that is in 2022. There were various MPs prepared for her to carry on for a bit longer who were nonetheless saying they wanted a new leader for the election . She also told us she was returning again to the continent to seek legal changes to the Irish backstop arrangement. This was different from previous language, when in line with the EU she was talking about gaining clarifications and reassurances without changing the text of the Withdrawal Agreement.

She did not clarify if she would lead the Conservatives were there to be an

earlier election. Nor did she clarify what kind of legal change she was seeking or how she will persuade the EU to re open the text of the Withdrawal Agreement. She also has said that any re opening could re open features of the Agreement like Gibraltar and fishing that some in the EU want to make worse from the UK point of view, so it is an option with risks.

What difference does this make? It has revealed to the government and public that there are 117 Conservative MPs who lack confidence in the PM, which is largely related to their opposition to the Withdrawal Agreement she has made her own. It is therefore difficult to see how Mrs May can present her Agreement to the Commons and secure support for it. She says she plans to get a change to the Irish backstop. The first test of any new words forthcoming from the EU will be the reaction of the DUP. If the DUP do not accept the revisions as sufficient to banish the Irish backstop, the government will remain with no reliable majority, subject to endless alarms over trying to sustain its position in Commons votes. The DUP have always made clear the whole backstop has to go. Many Conservatives want it out or want a clear legal ability of the UK to cancel it unilaterally, which of course means it is not then the kind of backstop the EU insists on. The significance of the backstop is it would treat Northern Ireland differently from the rest of the UK, and would create a border between Northern Ireland and the rest of the UK. I and others have made clear our opposition to the backstop, but also to several other important features of the Agreement. Even if they could delete the backstop I would still oppose the Agreement.

The Prime Minister needs to rebuild her support amongst Conservative and DUP MPs as an urgent priority. Winning the confidence vote is only a first step. She now has to adopt an EU policy that can command support within her coalition, which the current Agreement lamentably fails to do. Any attempt to find a way of harnessing Labour votes to offset the large slice of Conservative and DUP votes she does not command on this issue is likely to be a fruitless quest, given Labour's understandable wish to have a General election and unwillingness to name a particular proposal for exit that they can unite to support. Any attempt to woo Labour would also increase the numbers of Conservative MPs who oppose the Prime Minister.