Countdown to Brexit: What happens now?



MPs voted against PM May's deal with a historic defeat of 432 votes to 202, but the government won a motion of no confidence.

Vote of no confidence



Many had predicted MPs rejecting May's Brexit deal would scupper sterling, but GBP actually rose. Such certainty that she would not win could have been the stability the pound craved. The scale of defeat and other options on the horizon could have investors thinking the chance of a no-deal is potentially slimmer. Possible scenarios could include...







Government won

The PM saw off the no confidence by 325 to 306 votes.



- Unlikely for the PM to push for this now, although winning an election could give her political leverage to
- push through a deal.
 A pro-Remain party or a Brexiteer could take charge however, and change the course of Brexit entirely.



No deal

- If nothing happens, the UK goes out of the EU with a no-deal Brexit.
- MPs unhappy with a prospective no-deal have already voted to limit the Treasury's power in raising certain taxes as a symbolic gesture that the will object to a no-deal scenario.





Plan B

May called upon MPs to "put self-interest side" and invited Britain's political leaders to join together in achieving a consensus on how to proceed. She has until January 21st to present Plan B to Parliament and secure potential further concessions from EU leaders.

Second referendum

- Labour MPs are piling on pressure for Corbyn to back a second referendum, already favoured by the Liberal Democrats.
- Organising a referendum may require an extension of time, as legislation is needed for it to take place, and the Electoral Commission will need a period to plan it for.

Extension

- There are rumours Article 50 could be extended. A number of Cabinet ministers have suggested there isn't enough time to fit in the number of bills required before the deadline of March 29th.
- European Commission President
 Jean-Claude Juncker has also warned
 that time is running out to strike a deal as
 well.

Renegotiation

- Obviously renegotiations are required to bring on board the historic 432 no votes.
- However, the EU must also agree to such renegotiations which isn't guaranteed.



If you are concerned about what the coming months might mean for you, give our expert team a call on +44 (0) 207 823 7800 or visit www.moneycorp.com