

<b>SUBJECT:</b>	<b>BREXIT PREPAREDNESS</b>
<b>MEETING:</b>	<b>CABINET</b>
<b>DATE:</b>	<b>4<sup>TH</sup> SEPTEMBER 2019</b>
<b>DIVISION/WARDS AFFECTED:</b>	<b>ALL</b>

**1. PURPOSE:**

- 1.1 To provide an information only update for Members regarding the Council's Preparedness for Brexit further to the report to Council on the 11<sup>th</sup> April 2019.

**2. RECOMMENDATIONS:**

- 2.1 For information only.

**3. KEY ISSUES:**

- 3.1 The current default legal position is that the UK will leave the EU (commonly known as "Brexit") without a deal if the UK Parliament does not approve the Withdrawal Agreement and if no extension to Article 50 is secured by 31 October 2019. For the Withdrawal Agreement to be implemented in domestic law, legislation to that effect must also be passed before 31 October. Should the UK leave with an agreement in place, the UK will enter a transition period currently scheduled from 31 October 2019 until 31 December 2020. During this time, the future UK-EU relationship will need to be negotiated and agreed. EU law will continue to apply during transition but the UK will no longer be part of EU decision-making, meaning that its representation at EU institutions, agencies and bodies will cease.

- 3.2 In preparing for Brexit, Council Officers have undertaken the following tasks:

- A Brexit Working Group was established in December 2018 which is made up of Officers from key service areas, the group is meeting regularly and is led by the , Chief Officer for Enterprise;
- Political Leads have been identified as the Leader and Cabinet Member Resources whilst Paul Matthews the Chief Executive represents Greater Gwent on the Welsh Government EU Preparedness Group.

- 3.3 **The current reporting process is as follows:**

- Officer Brexit Working Group reports any highlighted issues to the Senior Leadership Team;
- MCC BREXIT specific structures and arrangements will be implemented upon the instruction of Central Government. WLGA updates are being sent directly to service areas and being actioned / shared as required.
- Council Officers continue to attend the Gwent Local Resilience Forum (LRF) – Brexit remains on the agenda and any Brexit risks are shared amongst partner agencies as necessary.

- 3.4 **To date activities have included:**

- The establishment of a [Brexit - Getting Ready webpage](#) for residents and businesses with relevant links to Welsh and UK Government pages. As preparations for a 'No Deal' evolve the webpage will be updated on a regular basis and the Council will signpost information from other public sector organisations who will be providing public information from their respective areas;
- Raising awareness of the EU Settlement Scheme among the Council's EU citizens and staff, which has been done via the Council Intranet;
- Social media posts from the Council's Facebook and Twitter accounts, linking to the press release/Brexit Guidance section of the Council's website;
- MCC specific Brexit Risk Register prepared;
- Brexit & Business Continuity Preparedness - Presentations hosted for key Council Service managers and delivered on during March highlighting the No Deal Brexit risks and business continuity mitigation strategies for services to consider/implement. An e-learning package has also been developed - [Business Continuity E-Learning Package](#);
- Welsh Government support for businesses has been increased to £450M to enable businesses to access capital funds as they manage the uncertainty of Brexit. Further information can be found [here](#).

### 3.5 Ongoing work includes:

- **WG funded LA Corporate Capacity Support (£1m)** which equates to £45k per LA for a senior officer to undertake Brexit related activities they feel would be most effective in their area.
- **WLGA Support Programme Phase II (£200,000)** – for ongoing programme of research and support of benefit to all LAs; communication and policy support, all-Wales events and time-limited commissions, using service/ subject experts as and when required
- Additional WLGA support has included the production of Brexit exposure dashboards for every LA, along with a regional analysis of the data. The four regional dashboards can be found [here](#).
- Directorates are refreshing their assessments of preparedness, including highlighting any current or emerging risks of a No Deal Scenario and updating the Council's Brexit risk register accordingly;
- Direct liaison with local businesses to understand any particular issues they may be experiencing; and
- Discussions with other regional councils about regional risks;

### 3.6 Next steps include:

- Further awareness raising of the EU Settlement Scheme among Council staff and Monmouthshire's EU citizen community;
- Further direct contact with Monmouthshire's business community, once further clarity is received of the potential impact of a No Deal;
- Attendance at the all Wales Local Authority Brexit Leads meeting on the 5<sup>th</sup> September. Continuing to follow Welsh Government and Welsh Local Government Association advice.

### 3.7 Potential Risks to consider in a no-deal scenario:

- 3.7.1 **Food Production** –Local Authorities have a key role to play in regulating and ensuring the safety of food and drinking water supplies with responsibilities including the enforcement of food safety and standards, the certification of foods for export, checking

the safety of public water supplies and providing a response when problems arise in the food or water sectors. Additional demands on LA staff will require Officers:

- 1) To ensure that food safety and drinking water quality standards are maintained and any new issues that emerge are addressed.
- 2) To respond to the expected increased demand for Export Health Certificates (that are anticipated to increase ten-fold from around the 100 per year currently issued).
- 3) To carry out any inspection and evaluation work necessary in relation to new or changed Export Health Certificates (in the event of a no-deal; Brexit, Health Certificates relating to fish exports to the EU, for example, could increase from zero to around 200,000 across the UK).
- 4) To respond to and address any issues relating to the stock piling of food and ingredients that has taken place in readiness for Brexit.
- 5) To respond to and address any issues that arise in relation to shortages of food, medicines, other medical supplies, chemicals and cleansing products etc. that could arise generally but also in local authority run care homes, school meals, Monmouthshire Meals Service, etc.
- 6) To ensure that enforcement activity is not undermined due to any changed legislative provisions as a consequence of Brexit.

3.7.2 **Supply Chain** – Departments have instigated conversations with their supply chain which are being considered as part of the Council’s contingency plans e.g. alternatives suppliers for school meals, vehicle spares, IT, etc.

3.7.3 **Fuel Supplies/Agile Working** – The Brexit Working Group are considering the impact that a disruption to the fuel supply could have above and beyond the Councils current Civil Contingencies arrangements. Should amendments be required, the necessary changes will be brought to the attention of SLT;

3.7.4 **Community Cohesion** – The potential for civil unrest has been identified as a risk and a Community Cohesion Officer has been appointed. The Officer is shared with Newport City Council and attends the Brexit Working Group meetings;

3.7.5 **Business and the Economy** – The main risk for local businesses is that they are unprepared. Council Officers have opened dialogues with businesses to raise their awareness however many believe that there is little they can do to prepare for the unknown and have limited resources available. However, communication channels remain open;

3.7.6 **EU Funding** – The Council benefits from limited EU funding therefore the risks are less than in other neighbouring Local Authority areas. However, Officers have been advised that the current programmes are likely to be extended to 2023, unfortunately there is still no news regarding any replacement funding streams, particularly for our rural communities and businesses.

3.7.7 **EU Citizens Transition Fund** - Welsh Government has announced a package of support to help EU citizens prepare for Brexit and continue to live and work in Wales, funded under tranche 2 of the WG EU Transition Fund. A website will soon be launched to promote the range of help on offer for EU citizens living in Wales.

3.7.8 **Communications** – Welsh Government departments will continue to engage with stakeholders regarding Brexit preparations:

- In CYP, weekly teleconferences between WG and LA education Brexit leads will recommence at the beginning of September, to share and gather information;
- In SCH, teleconferences with the Director of Social Services, and Directors of Local Authority Social Services recommenced on 29th July;

- Local Authority Communication Leads are meeting on the 20<sup>th</sup> August with the WG Head of Communications for Local Government and Communities;
- WG Hate Crime communications - Funding from the EU Transition Fund has been allocated for a communications campaign to tackle hate crime, Hate Crime Awareness Week will be in October (12-19th).

#### **4. EQUALITY AND FUTURE GENERATIONS EVALUATION (INCLUDES SOCIAL JUSTICE, SAFEGUARDING AND CORPORATE PARENTING):**

Report for information only and therefore not relevant.

#### **5. OPTIONS APPRAISAL**

- 5.1 The Brexit date of 31<sup>st</sup> October has now been set and there it is essential that the Council is as prepared as possible. From a business continuity and local resilience perspective, planning for a No Deal Brexit is a priority.

#### **6. REASONS**

- 6.1 The Brexit top risks for the Council include:

- Disruption to the Council's supply chain (in particular Food Supply);
- Threat to EU funded projects/lack of clarity over future funding streams;
- Financial implications on budgets due to increased costs in relation to supply chain directly attributed to Brexit and continued austerity measures;
- Potential rise in social conflict and hostility - social cohesion;
- Medication / medical needs could be disrupted;
- Impact on construction projects including 21st Century Schools projects due to availability of skilled trade and supplies; and
- Impact on the agricultural sector and wider rural economy which could have further consequences upon the Animal Welfare and Public Protection service;

#### **7. RESOURCE IMPLICATIONS**

- 7.1 Report for information only and therefore not relevant.

#### **8. CONSULTEES**

Senior Leadership Team

Cabinet

Council Members

#### **10. BACKGROUND PAPERS**

N/A

#### **11. AUTHORS:**

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