

Committee: **Council**

Date of meeting: **10th October, 2019**

Report Subject: **Preparations for Exiting the EU**

Portfolio Holder: **Councillor Nigel Daniels, Leader/Executive Member
– Corporate Services**

Report Submitted by: **Bernadette Elias, Head of Governance &
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Reporting Pathway								
Directorate Management Team	Corporate Leadership Team	Portfolio Holder / Chair	Audit Committee	Democratic Services Committee	Scrutiny Committee	Executive Committee	Council	Other (please state)
	10/09/19	17.09.19			26.09.19	26.09.19	10.10.19	

1. Purpose of the Report

This report provides an update on the preparatory work underway at the Council to prepare for the UK's exit from the EU.

2. Scope and Background

- 2.1 The UK voted to leave the European Union in June 2016. The current draft Withdrawal Agreement involves a transition period until at least 31st December 2020, during which the UK's relationship with the EU will remain largely the same as it is now.
- 2.2 The UK parliament has voted against the deal several times due to concerns over the Irish border and the financial settlement payable by the UK to the EU. Parliament also voted against leaving the EU without a deal in a non-binding vote, so an extension of Article 50 until 31st October 2019 was agreed with the EU. The current Prime Minister has stated that the UK will be leaving the EU on 31st October 2019 with or without a deal.
- 2.3 A level of uncertainty remains of what the full implications of exiting the EU for local authorities in Wales for their role as employers, service providers, and place-shapers. This affects the level of preparedness activity being undertaken at Local Authority level.
- 2.4 In summer 2018, we established an officer Brexit Core Planning Group (BCPG) to facilitate Brexit preparations. The BCPG is made up of key officers from across the Council to consider issues and plan for the forthcoming exit from the EU, with or without a deal. The BCPG members worked together to develop and subsequently monitor the high-level impact assessment of exiting the EU attached at appendix A.

- 2.5 The policy team receives advice and guidance from the Welsh Local Government Association (WLGA) and Welsh Government about the national picture, as well as advice from the Home Office regarding the EU Settlement Scheme (EUSS). The EUSS will require all EU citizens in the UK without British citizenship to apply online for Settled Status (if they've already been resident in the UK for 5 or more years) or Pre-Settled Status (if they arrived in the UK less than 5 years ago).
- 2.6 Frontline staff have received guidance about where to signpost any EU national members of the public who enquire about the EUSS when contacting the Council. An information page for European residents who will need to apply for Settled Status through the EUSS, which includes links to Home Office materials, has been added to the Blaenau Gwent website.
- 2.7 Members received a briefing on exiting the EU from the WLGA's Brexit lead in January 2019. This briefing included information about the latest national state of play and suggested priority actions for local authorities. Members are due to receive another briefing session on exiting the EU in October 2019.
- 2.8 The Council is working actively with regional partners via the Gwent Local Resilience Forum in order to facilitate a collective approach to monitoring and responding to any risks and issues associated with leaving the EU without a deal on 31st October.

3. **Options for Recommendation**

- 3.1 Council to note the preparatory work underway to prepare for the UK's exit from the EU.

4. **Evidence of how does this topic supports the achievement of the Corporate Plan / Statutory Responsibilities / Blaenau Gwent Well-being Plan**

Ensuring the Council is fully prepared to take advantage of any opportunities or mitigate against the risks associated with exiting the EU supports the achievement of all Corporate Plan and Well-being Plan priorities.

5. **Implications Against Each Option**

5.1 ***Impact on Budget (short and long term impact)***

Preparing the Council for the opportunities and risks associated with the UK's exit from the EU is currently being managed through existing resources.

The WLGA submitted a bid to the Welsh Government's EU Transition Fund for each Welsh local authority to receive £45,000 funding towards corporate capacity support for resourced work on preparing for and responding to exiting the EU. The Council has now received this funding to support the corporate Brexit planning work already being facilitated by the corporate policy officer. This funding for all 22 councils in Wales was secured by the WLGA as part of their Brexit Transition Support Programme.

There is a UK Treasury guarantee that current EU Structural and Investment Fund (ESIF) allocations will be honoured up to the end of the current EU funding programme (December 2020, with spending until 2023) but nothing confirmed beyond this point at present. The UK Government has announced that they will provide further clarity about replacement EU funding through the UK Shared Prosperity Fund in 2020.

BGCBC has received a capital investment grant of £444,000 for the current financial year from Welsh Government to address some of the challenges the local economy that exiting the EU might pose. The purpose of the grant is to:-

- Invest in capital schemes to drive important changes in the communities.
- Fund a range of projects that provide economic benefits which can stimulate wider economic demand.
- Consider any positive impacts on biodiversity and the environment.

5.2 ***Risk including Mitigating Actions***

Exiting the EU has been identified as a risk in the corporate risk register, whilst a separate Brexit-specific impact assessment has been developed and is being monitored by the BCPG (attached at Appendix A).

Work is underway in assessing Civil Contingencies related risks through the Wales and Gwent Local Resilience Forum, which is being used to inform our resilience planning.

5.3 ***Legal***

Some existing governance processes and officer authorisations for Council services who implement activity currently delivered by EU directives may need to be amended in preparation for Brexit. The Council's Legal Service is currently considering the impact of this across all services, but it is expected to be low. Current indications suggest that the majority of EU legislation relating to Council regulations will be transposed into UK law.

5.4 ***Human Resources***

The Head of Governance and Partnerships has been assigned as the Council's lead officer for Brexit. A Policy Officer within the corporate team has been given responsibility for coordinating the Council-wide approach, working closely with service representatives as well as the WLGA and UK Government.

Organisations across the UK are considering risks relating to any recruitment and retention issues for their workforce due to the possible reduction in skills and employment from the EU. This is no different for local authorities.

The Organisational Development department carried out an analysis of Council staff nationalities in order to identify potential gaps in provision for any services areas reliant on staff who are EU nationals without British citizenship. This work revealed <10 members of staff across all Council directorates (including Schools) who are EU nationals. They will receive any support and information they need about the EUSS through their line managers.

Two additional community cohesion coordinators for West Gwent (covering Blaenau Gwent, Torfaen and Caerphilly) were appointed in June 2019, funded for 12 months by the Welsh Government's EU Transition Fund. The coordinators are now working closely with local community groups, libraries and businesses etc. to establish what support might be required for vulnerable or hard-to-reach groups of EU citizens in West Gwent.

6. **Supporting Evidence**

6.1 ***Performance Information and Data***

The BCPG has developed an impact and risk assessment to identify and respond to the local risks and opportunities associated with leaving the EU. The assessment includes measures to mitigate against the risks outlined in Appendix A.

Analysis of the December 2018 Electoral Register revealed that there are currently 582 non-UK, non-Irish EU citizens registered to addresses within Blaenau Gwent. This figure for EU citizens in Blaenau Gwent as a whole is expected to be higher once European children under 18 and adults not registered to vote are taken into account.

We have asked our suppliers and employment agencies who provide temporary or contracted workers for commissioned Council services about EU national staff, as well as local businesses likely to employ EU workers, to ensure we are aware of any possible recruitment / retention issues around EU national staff in the local workforce in future. Contractors are providing support for any EU national staff through their own HR services.

6.2 ***Expected outcome for the public***

Monitoring the local impact and undertaking preparatory work in order to maximise opportunities or mitigate against any risks from the UK's exit from the EU will help to create a more resilient and prepared Local Authority for the public.

6.3 ***Involvement (consultation, engagement, participation)***

The BCPG is coordinating engagement activities with local business groups and individual businesses to determine their views, concerns and preparations for Brexit, as well as to understand any local reliance on goods or skills from the EU.

6.4 ***Thinking for the Long term (forward planning)***

Putting robust preparations in place will enable the Council to prepare for and take advantage of any long-term funding opportunities created by the UK's exit from the EU.

6.5 ***Preventative focus***

The preventative nature of the sub-regional Community Cohesion Officer work programme includes work to champion diversity and promote social inclusion amongst people of all different backgrounds.

6.6 ***Collaboration / partnership working***

The Gwent Local Resilience Forum has a multi-agency risk group established, which considers the impact of a no deal EU exit across Gwent.

We are receiving advice from Welsh Government and working closely with the WLGA as part of the WLGA Brexit coordinators network for best-practice and information sharing amongst Welsh councils.

At an appropriate time any impact of exiting the EU on residents and public services may need to be considered by the Blaenau Gwent Public Services Board.

6.7 ***Integration(across service areas)***

The BCPG reports to CLT, which is chaired by the Council's Managing Director. BCPG Membership includes representatives from Policy and Performance, Environment and Regeneration, Finance, Procurement, Legal, Organisational Development, Education and Social Services. It is a mechanism for sharing and disseminating information across the organisation using a coordinated, integrated and collaborative approach across services.

6.8 ***EqlA(screening and identifying if full impact assessment is needed)***

Work undertaken by the community cohesion staff will contribute towards support for people with protected characteristics.

7. **Monitoring Arrangements**

Brexit preparatory work is being monitored by the BCPG, which reports to CLT. There are also update reports that will form part of the forward work programme of the Committee.

Background Documents /Electronic Links

- *Appendix A – Brexit High Level Impact Assessment*
- [Welsh Government: Preparing Wales to leave the EU](#)

APPENDIX A

IMPACT	ACTION	LEAD SERVICE	TIMEFRAME*
Loss of EU funding	Map current levels of EU funding (where possible / available) then start to consider possible alternative replacement funding streams	Finance / Environment & Regeneration	Ongoing
Social Care	Ensuring the continuity of supply of medicines, food, fuel, medical devices, clinical consumables, and EU national care workers so that social care arrangements can be maintained post-EU exit	Social Services	Ongoing
Demand on council workforce	Continue to plan for the expected impact across the council and prepare relevant staff and services for any increased demand on workload and/or public services	All	Ongoing
Council EU workforce	Undertake analysis of council staff who are EU nationals without British citizenship then target advice appropriately	Organisational Development	Complete
Services EU workforce	Consult contractors and agencies to establish their preparedness for a potential reduction in the arrival of skilled EU workers from 01/11/19	Procurement	Ongoing
Community EU workforce	Engage with local businesses and employers to determine their current and likely future reliance on EU national staff	Environment & Regeneration and Governance & Partnerships	Ongoing

EU national residents	Provide a link to Home Office advice and guidance materials on BG website; prepare sub-regional Community Cohesion officers to assist elderly and more vulnerable EU residents; communicate the scheme through schools to reach EU teachers, pupils and parents	Governance & Partnerships	Ongoing
EU national Looked After Children and adults in care	Establish number of EU national Looked After Children, care-leavers and adults in care to assess likely impact	Social Services	Complete – low numbers
Community cohesion	Monitor any increase in community tensions during and after the Brexit process	Governance & Partnerships	Ongoing
Supply chains	Assess the reliance of council, contractor, supplier and local businesses' supply chains for food/goods/materials/services from the EU, then identify contingency plans and/or alternative procurement options where necessary	Procurement	Ongoing
Support for local businesses	Engage with local businesses who currently import from / export to the EU to ensure they are prepared for any administrative and economic implications of exiting the EU	Environment & Regeneration	Ongoing