

Overview and Scrutiny Management Board

11 March 2019



Report of: Tim Borrett, Director: Policy, Strategy and Partnerships

Title: Preparedness for EU Exit (Brexit)

Ward: All

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Recommendation

For the Overview and Scrutiny Management Board to note preparedness activity ahead of the UK exiting the European Union on 29 March 2019.

The significant issues in the report are:

The council is operating a Brexit Project Board which meets fortnightly as a mechanism to coordinate and oversee activity and risk. It is participating actively in the multi-agency civil contingencies forum (Avon and Somerset Local Resilience Forum) and is also liaising with HM Government both directly and via a regional reporting structure established through South West Councils.

Whilst there is a level of assurance over council planning and preparedness activity, the lack of national clarity over Brexit presents significant challenges and threats; particularly external threats (such as to supply chain preparedness) over which the council has little or no control.

The council has received £210k national non-ringfenced funding from HM Government over two years for Brexit preparedness and has set aside an additional £250k in reserves to support preparation and as a reactive contingency. Of this it has, to date, allocated £145k to specific activities.

1. Summary

The United Kingdom is scheduled to exit the European Union on 29 March 2019, with wide-reaching threat and opportunity implications for Bristol City Council as a local authority.

Council preparedness is rated Amber, as whilst there is steady progress on planned activity, there are a wide range of potential threats and a lack of clarity on whether the UK faces a no-deal exit, a transitioned exit or a formal extension of Article 50.

2. Context

2.1 Scenario assessment

In November 2018 the council published a draft [no-deal scenario assessment](#) and consulted scrutiny colleagues and other stakeholders. An updated finalised assessment was published on 18 January 2019. Since this time the council has been operating a Brexit Project Board (reporting to Statutory and Policy Board) to oversee preparedness activity. It has also been updating all councillors via weekly written updates from the chair of the Brexit Project Board.

2.2 Brexit Project Board and actions

The Brexit Project Board has assessed immediate actions required following the council's scenario assessment. In doing so it has taken account of that document, official government advice (including its EU Exit Preparedness Check List), regional input via South West Councils and the professional views of the lead officers involved.

The actions address some of the more pressing areas of concern at a local, regional and national level; and have been considered in the context of not yet knowing if the proposed 'deal' with the EU will be agreed by Parliament. They are assessed as either 'no regret' actions (those which apply in any permutation of an EU Exit or which have other benefits and/or less resource requirements) or proportionate to the currently assessed level of risk and likelihood.

Extensive activity is being undertaken across the council and a verbal update on this can be provided to ensure members receive timely information given the rapidly evolving nature of Brexit. It includes surveying our supply chain, engaging directly with major suppliers, reviewing business continuity, community engagement, resource planning and civil contingency work. Many of these actions are discussed throughout this report.

2.3 Use of contingency funding

Among the actions requiring the use of the contingency funding provided by government are:

- Community cohesion – outreach and engagement project: up to £30k
- Communications (including SME engagement/advice, community cohesion campaign, enhanced internal communications): up to £40k
- Project Support – cross-skilled capacity to assist project reporting, internal/external reporting and command/control structures, Civil Protection Unit resilience (noting potential for future 24/7 national reporting structure to COBR): up to £45k
- Procurement – temporary additional capacity to assist with ensuring suppliers have contingency plans and business continuity plans in place (both for existing and new suppliers and their onward supply chains before and after EU Exit): up to £30k

An [Officer Executive Decision](#) about this has been published, with another covering procurement contingency to be published.

In addition, the Statutory and Policy Board has agreed allocation of funding in-principle to the following areas. However, given the dynamic nature of the issue further confirmation will be sought before any funds are drawn upon:

- Reactive response to protest and/or civil contingencies: £20k
- Cohesion and additional security contribution to summer events: £25k
- Regulatory contingency in case of national database loss and/or mutual aid: £45k
- Emergency health and social care provision in case of provider failure: £50k

These are indicative amounts and reflect potential requirements for additional staff resource. It should be noted they are **not** the anticipated total cost of any such issues, and it would be likely that if certain issues manifested they may require further funding from council reserves.

The allocations and in-principle allocations to date (if drawn down in full) leave £75k in 19/20 and £100k in allocated reserves for further contingency use. According to current risk assessments this could include responding to any increases in homelessness, supply chain/sterling fluctuation, insurance service capacity and data protection compliance.

2.4 Civil contingencies and business continuity

Multi-agency Strategic and Tactical Coordinating Groups meet regularly under the umbrella of the Avon and Somerset Local Resilience Forum (LRF), chaired by Avon and Somerset Police. The LRF reports weekly back to the Ministry for Housing, Communities and Local Government.

We are expecting a higher reporting burden from mid-March and for requests for information from HM Government to increase in line with proportionate national preparedness.

Among the ‘no deal’ issues previously identified by the council and partners are waste export, food supply assurance and fuel shortage planning. However it should be noted that no national shortages are projected and preparedness advice is very much in line with standard contingency measures. With regards food supply the advice is that a shortage in supply should not be anticipated, though there may be a short-term limiting of consumer choice.

Each council service has a Business Continuity Plan describing how it can continue in any given circumstances. A programme to review and update these has been completed council-wide ensuring a ‘Brexit lens’ has been applied.

2.5 HM Government engagement

The council is engaging with formal feedback processes via South West Councils and is also directly engaging with several government departments about specific issues. There is a weekly return to HM Government from SW Councils, and the most recent issues raised by the council (as of 01 March 2019) are:

Data Transfer: we are yet to receive confirmation and clarity relating to technicalities of cross-border data transfer in a no deal scenario

EU Elections: we understand that the Electoral Commission is making preparations for the European Elections as part of their contingency planning and have asked that planning is shared with local authority election teams

Small and Medium-sized Enterprise Preparedness: the no-deal impact assessments published by the government show that just 16% of companies that need to register for customs documentation have done. We have asked if regional or city-wide figures are available.

Communications: we have noted delay in receipt of government information campaign material, causing difficulty in preparing consistent local communications. Initial materials have since been received during w/c 25 February.

In addition to these specific issues, the council has made clear the following key messages to HM Government:

- We welcome contingency funding but concerned it will not be enough to meet extra pressures in a No Deal scenario
- Secure and sustainable Social Care workforce should be a post-Brexit priority for the Government and consideration given to exempting these professions from its proposed £30k salary cap as part of the Immigration White Paper
- HM Government must ensure that successor programmes to lost EU funding streams, including the UK Shared Prosperity Fund, are of equivalent value, locally devolved and fully flexible so they can best suit local needs.

With regards the UK Shared Prosperity Fund, members may wish to note that the government missed its own pre-Christmas deadline for launching a consultation on the proposed SPF and has not been able to confirm a timeline for launch of this. Engaging in the consultation, and in the Comprehensive Spending Review, will be policy and public affairs priorities during 2019/20.

2.6 Communications

A regular programme of communication is underway and includes a weekly update to all councillors. A series of three Member Briefings were held for councillors on 21, 25 and 26 March. Turnout was 4, 0 and 6 respectively and the briefings were well received.

The council's communication plan includes sharing and amplifying national campaigns, contributing to the LRF's Warning and Informing plan and running specific internal and external campaigns. In totality the work reflects the following objectives: i. internal readiness, ii. signposting local businesses and residents to advice, iii. uniting local communities and iv. building resilience.

Activity will include further internal engagement with the council's 112 EU members of staff and briefing sessions open to all colleagues.

A range of toolkits, frequently asked questions and key messages are being prepared to support councillors with frontline queries and casework relating to Brexit.

3. Policy

Preparedness work is being undertaken in line with the relevant council policies relating to risk management, project management, civil contingency and business continuity.

Insofar as possible, work is being guided by the cross-cutting principles adopted by Full Council as part of the [Corporate Strategy 2018 – 2023](#), in particular:

- Build city resilience, improving our ability to cope with environmental, economic or social ‘shocks and stresses’
- Focus on planned long-term outcomes not short-term fixes, prioritising early intervention and prevention
- Contribute to safer communities, including zero-tolerance to abuse or crime based on gender, disability, race, age, religion or sexuality
- Maximise opportunities to work with partners and other stakeholders locally, nationally and globally

4. Consultation

a) Internal

Council-wide ongoing engagement is continuing, with this issue remaining a standing item at the council’s fortnightly Statutory and Policy Board and at Overview and Scrutiny Management Board.

b) External

The council is engaging extensively with HM Government and the Avon and Somerset Local Resilience Forum (plus Tension Monitoring Group) as described earlier in this report. The council is engaging partners in the Bristol Brexit Response Group at a senior and officer level.

5. Public Sector Equality Duties

- 5a) Before making a decision, section 149 Equality Act 2010 requires that each decision-maker considers the need to promote equality for persons with the following “protected characteristics”: age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex, sexual orientation. Each decision-maker must, therefore, have due regard to the need to:
- i) Eliminate discrimination, harassment, victimisation and any other conduct prohibited under the Equality Act 2010.
 - ii) Advance equality of opportunity between persons who share a relevant protected characteristic and those who do not share it. This involves having due regard, in particular, to the need to --
 - remove or minimise disadvantage suffered by persons who share a relevant protected characteristic;

- take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of people who do not share it (in relation to disabled people, this includes, in particular, steps to take account of disabled persons' disabilities);
 - encourage persons who share a protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.
- iii) Foster good relations between persons who share a relevant protected characteristic and those who do not share it. This involves having due regard, in particular, to the need to –
- tackle prejudice; and
 - promote understanding.
- 5b) Decision making relating to Brexit preparedness has been undertaken with due regard for our duties under the Public Sector Equality Duty, with Officer Executive Decision papers accompanied by an Equalities Relevance Check informed by the council's Brexit Equalities Impact Overview.

Appendices: None

LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985

Background Papers:

- Corporate Strategy 2018 – 2023 - <https://www.bristol.gov.uk/policies-plans-strategies/corporate-strategy>
- Bristol City Council Brexit No Deal Scenario Assessment - <https://www.bristol.gov.uk/mayor/bristol-and-brexit>
- Officer Executive Decision – Brexit preparedness resourcing - <https://democracy.bristol.gov.uk/ieDecisionDetails.aspx?ID=456>